



Board of Regents of the University of Wisconsin System
Office of the Secretary

1860 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608)262-2324

DATE: October 31, 2012

TO: Each Regent

FROM: Jane S. Radue *JSR*

PUBLIC MEETING NOTICE

Meetings of the UW System Board of Regents
to be held at Van Hise Hall, 1220 Linden Drive, Madison, Wisconsin 53706
on November 8, 2012

8:30 a.m. Business, Finance, and Audit Committee – Room 1820

- Amendments to the Bylaws of the UW Medical Foundation
[Resolution I.2.a.]

9:00 a.m. All Regents – Room 1820

1. Calling of the roll
2. *Presentation and Discussion:* Higher Education and Economic Prosperity,
including guest speakers:
 - Anthony P. Carnevale, Research Professor and Director, The Georgetown University Center on Education and the Workforce
 - Rebekah Kowalski, Principal Consultant, Strategic Workforce Consulting, Right Management, Manpower Group
3. UW Colleges and UW-Extension: UW-Extension's Cooperative Extension Centennial

12:00 p.m. Box Lunch

1:00 p.m. All Regents – Room 1820

4. Presentation of Inaugural "Regents' Award for Distinguished Service to the University of Wisconsin System" to John and Tashia Morgridge

- 4A. Report and approval of actions taken by the Business, Finance, and Audit Committee
5. Follow-up: Approval of the reporting expectations for NCAA Division I athletics programs presented in October
[Resolution 5.]
6. *Presentation and Discussion:* Veterans Day 2012 – Student-Veterans in the UW System
7. Move into closed session to: (a) consider a UW-Madison salary adjustment, as permitted by s. 19.85(1)(c), *Wis. Stats.*; (b) consider UW-Madison honorary degree nominations, as permitted by s. 19.85(1)(f), *Wis. Stats.*; (c) consider a faculty member request for Board of Regents review of a personnel decision at UW-Superior, as permitted by s. 19.85(1)(f), *Wis. Stats.*; and (d) confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), *Wis. Stats.*

The closed session may be moved up for consideration during any recess in the regular meeting agenda. The regular meeting will reconvene in open session following completion of the closed session.

Persons with disabilities requesting an accommodation to attend are asked to contact Jane Radue in advance of the meeting at (608)262-2324. Information about agenda items can be found the week of the meeting at <http://www.uwsa.edu/bor/meetings.htm>. The meeting will be webcast at <http://www.uwex.edu/ics/stream/regents/meetings/> on Thursday, November 8, 2012, from 9:00 a.m. until approximately 3:30 p.m.

ECONOMIC PROSPERITY AND HIGHER EDUCATION

EXECUTIVE SUMMARY

BACKGROUND

One-day meetings provide a forum for the Board of Regents to assess important policy issues that they may not otherwise have an opportunity to address at length during regular business meetings. These deep dive sessions customarily focus on one or two issues, allowing the Board of Regents an opportunity to explore selected topics in order to determine the most appropriate strategies, directions, and actions that might be implemented and pursued later.

REQUESTED ACTION

For discussion only.

DISCUSSION

This discussion on “Higher Education and Economic Prosperity” is intended to examine higher education, workforce development, economic prosperity, and the importance of the UW System’s *Growth Agenda for Wisconsin*, with respect to the economic health and vitality of the entire state. The Board of Regents will have an opportunity to consider the crucial role higher education plays in workforce development and to assess how, in this context, the *Growth Agenda* is meeting the needs of Wisconsin students, businesses, residents, and communities. Expert presentations will illustrate national demographic and economic trends, how those forces may lead to workforce challenges, and how the UW System might take steps now to address those challenges, thereby improving Wisconsin’s near- and long-term economic position. The UW System institutions and other institutions of higher education are increasingly being asked by businesses, policymakers, students, and families to address the “skills gap” by producing graduates who are trained in specific disciplines, to meet immediate needs in today’s job market.

The skills gap in the workforce has been the focus of a good deal of media attention and discussion by business, civic, and higher education leaders. This term (“skills gap”) is often used to describe several different phenomena. To illustrate:

- The “skills mismatch” at the micro level is often viewed as the difference between the skills needed for a specific job and those possessed by the applicant or applicant pool. In September 2010, the Federal Reserve Bank of Minneapolis estimated that skills mismatch

accounts for 2.5 percentage points of the unemployment rate¹. Given the current 8% unemployment rate, this means that over 25% of unemployment is related to the skills mismatch.

- The “skills gap” at the macro level is the difference in educational attainment and market needs across the entire workforce. Part of the discussion here is the challenge created by policy makers when higher education institutions in Wisconsin and around the United States do not produce enough individuals with postsecondary training, and training in specific fields, to fill the jobs that are being created, or that will be created in the future. According to the Georgetown University Center on Education and the Workforce, by 2018 the United States will have 3 million fewer college graduates than are needed by the labor market².

At the same time, institutions of higher education are also being asked to continue their historic role of producing educated and engaged graduates who will strengthen their communities and are prepared to succeed in the workforce over the long-term – “softer” skills such as adaptability; critical thinking; and the ability to absorb, implement, and act upon new material/information by transforming these into new skills³. This means that the UW must produce graduates who not only possess a depth of knowledge and specific skills in a specific discipline, but also have a breadth of knowledge and adaptable skills in a variety of areas, so that they are ready not only for their first jobs, but for their entire career.

Projections of both national and state employment growth in the coming years indicate a high need for a workforce that includes a significant number of individuals with postsecondary training, a trend that could exacerbate the skills gap. According to a study by the Georgetown University Center on Education and the Workforce, by 2018, 1.9 million jobs in Wisconsin will require some postsecondary training, an increase of 139,000 in a decade (since 2008). This estimate includes 600,000 that require a bachelor’s degree and 255,000 that require a graduate degree, for a total of 855,000 jobs that will require a bachelor’s degree or higher. In addition, between 2008 and 2018, it is estimated that Wisconsin will create 925,000 job vacancies both from new jobs and from job openings due to retirement, with 558,000 of these job vacancies for those with postsecondary credentials.

Similarly, Competitive Wisconsin’s Be Bold 2⁴ report projects increasing shortfalls in the number of skilled workers in fields ranging from accounting and financial analysis, to mechanical engineering, to nursing and other health-related professions, to systems and network software development. Almost all of these positions will require postsecondary training, with many needing two-year or four-year college degrees.

The results from these two reports indicate that the need for a college-educated workforce, both nationally and in Wisconsin, is increasing, and more rapidly than the demand for workers without postsecondary training.

¹ http://www.minneapolisfed.org/news_events/pres/speech_display.cfm?id=4532

² <http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/FullReport.pdf>

³ <http://chronicle.com/blogs/next/2012/09/12/skills-gap-employers-and-colleges-point-fingers-at-each-other/>

⁴ http://www.competitivewi.com/wp-content/uploads/2012/10/BeBold2_Study_October2012.pdf

The UW's current approach and strategy for meeting these needs is the *Growth Agenda for Wisconsin*. The *Growth Agenda* intends to increase the number of degrees conferred each year, resulting in an aggregate increase in the percentage of college-educated workers in Wisconsin by 2025. While increasing the overall number of baccalaureate degree holders is important, it is likewise vital that the *Growth Agenda* effort focus on filling market needs. According to the U.S. Census Bureau⁵, Wisconsin lags behind both Illinois and Minnesota in college degree attainment, and is two percentage points behind the national average.

The UW System's *Growth Agenda for Wisconsin* was initiated in 2006 with three strategic goals: increasing the number of college graduates in Wisconsin, creating new jobs in the state, and strengthening Wisconsin communities where citizens and business can thrive.

UW System institutions are working on many fronts to support businesses that create well-paying jobs. This is accomplished through an expanded emphasis on academic research and development, more efforts to commercialize the fruits of those scientific endeavors, and direct outreach to Wisconsin businesses. On UW campuses, and through statewide UW-Extension networks, university experts partner with local communities to address a wide range of social, environmental, and economic issues that affect Wisconsin's quality of life.

A status report on the *Growth Agenda for Wisconsin*, including a full report on progress toward "More Graduates" goals, will be presented at a future Board of Regents meeting. To set the stage for that discussion, the November 2012 discussion focuses on trends in Wisconsin's labor market.

The UW is currently training a significant number of individuals in the disciplines and fields that employers need and the market is demanding. Over half of all degrees conferred by UW institutions during 2010-11 were in Science, Technology, Engineering, and Mathematics (STEM) disciplines; health professions; education; or business-related fields⁶. For example, almost 20.5% of all bachelor's degrees conferred in 2010-11 were in the STEM fields, while more than 6% were in health professions; 17% were in business, management, marketing or related fields; and 7.5% were in education. As the *Growth Agenda* advances, the UW will produce additional graduates in these critical fields.

Just as the UW provides students with the ability to adapt to the needs of the workplace, the UW must also adapt to meet the needs of the market if it is going to achieve the goals of the *Growth Agenda*. This includes continuing to expand the UW's distance education efforts (between 2007 and 2010, the number of distance education course offerings increased by 81% while enrollments in these courses increased by 88%). This means seeking out and implementing new delivery methods to meet new markets and serve additional students, such as returning adults and place-bound students, and providing access to higher education on a flexible schedule. It also means implementing new programs in order to meet the need for skills and training in new disciplines,

⁵ U.S. Census Bureau American Community Survey, 2010. Figures reflect individuals ages 25 and over who have at least a Bachelor's Degree.

⁶ Informational Memorandum: Degrees Conferred: 2010-11 Update, UW System Office of Policy Analysis and Research.

such as the recently approved degrees in Environmental Science at UW-Whitewater, the degree in Microsystems and Nanotechnology Engineering at UW-Platteville, and the Collaborative Online Bachelor of Science in Health Information Management and Technology offered by UW-Green Bay, UW-Parkside, and UW-Stevens Point.

Achieving the goals of the *Growth Agenda* will not be easy. Some of the challenges that the UW must address in order to accomplish the items discussed above include:

- Ensuring adequate funding for new initiatives and programs to meet market demands that arise, while maintaining support for existing programs, instruction, and research.
- Better outreach with businesses, policymakers, students, and families, in order to better understand how the UW can assist in meeting the challenges confronting Wisconsin, both now and in the future.
- More effective communication, so that students, policymakers, community leaders, business, and the public understand what the UW is trying to accomplish with the *Growth Agenda*, and what UW is already doing, and what it will be doing, to meet the need for a more skilled workforce.
- Implementing the new strategies and efforts – such as improving retention and serving place-bound students, working adults, veterans, and returning students in order to produce the more graduates that are at heart of the *Growth Agenda*.

The discussion will include presentations from two speakers. First, Dr. Anthony P. Carnevale, the Director and Research Professor of the Georgetown University Center on Education and the Workforce, will discuss his projections on jobs and education requirements. The publication, Help Wanted: Projections of Jobs and Education Requirements Through 2018, includes both national and state-level projections. Second, Rebekah Kowalski, a Principal Consultant for Manpower Group's Strategic Workforce Consulting Practice of Right Management and a member of the Be Bold 2 Executive Committee, will address the projections for Wisconsin's employment needs that are included in Competitive Wisconsin's Be Bold 2: Growing Wisconsin's Talent Pool report.

While examining the role of the *Growth Agenda* in meeting Wisconsin's needs, this discussion will concentrate on the "more graduates" component of the three-pronged Growth Agenda strategy of more graduates, more jobs, and stronger communities. It is expected that the other two components will be addressed more fully when the UW System's new Economic Development Road Map is discussed during the December Board of Regents meeting. The Road Map will focus on business creation and retention, including the facilitation of research, technology transfer, and innovation across Wisconsin. The Road Map will include strategies, recommendations, and approaches for strengthening relationships between the UW institutions and Wisconsin business and other organizations as well as leveraging the talent and resources across the UW System to foster statewide economic expansion and job creation.

SUPPORTING MATERIALS

- ✓ Help Wanted: Projections of Jobs and Education Requirements Through 2018, Georgetown University Center on Education and the Workforce.
<http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/FullReport.pdf>
- ✓ Help Wanted: Projections of Jobs and Education Requirements Through 2018: Wisconsin Projections, Georgetown University Center on Education and the Workforce.
<http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/wisconsin.pdf>
- ✓ Be Bold 2: Growing Wisconsin's Talent Pool, Competitive Wisconsin, Inc.
http://www.competitivewi.com/wp-content/uploads/2012/10/BeBold2_Study_October2012.pdf
- ✓ Informational Memorandum: Degrees Conferred: 2010-11 Update, UW System Administration Office of Policy Analysis and Research.
http://www.uwsa.edu/opar/orb-im/im/deg_conferred/dc10-11.pdf

REQUESTED ACTION

For information only; no action is required.

RELATED REGENT POLICIES

None.

Accountability Reporting Framework
For Board of Regents Oversight of
NCAA Intercollegiate Athletics Programs

BOARD OF REGENTS

That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the accountability reporting framework for NCAA intercollegiate athletics programs.

ACCOUNTABILITY REPORTING FRAMEWORK FOR BOARD OF REGENTS OVERSIGHT OF NCAA INTERCOLLEGIATE ATHLETICS PROGRAMS

EXECUTIVE SUMMARY

BACKGROUND

Much has been written about governing boards and their role in the oversight of National Collegiate Athletic Association (NCAA) athletics. Inasmuch as collegiate athletics exist for the betterment of the student body, student athletes, and the university, governing boards have a responsibility to provide for the orderly operation of athletics programs. The focus of the proposed accountability framework, which follows, is to allow for the proper discharge of the Board of Regents' fiduciary responsibility to ensure 1) the well-being and success of UW System student-athletes; 2) the financial viability of UW athletics programs; 3) the success of the academic mission of its institutions; and 4) good lines of communication between UW institutions, the UW System President, and the UW Board of Regents.

The purpose of the following accountability framework is to outline various reporting requirements of University of Wisconsin institutions to assist the Board of Regents in exercising its fiduciary responsibilities related to intercollegiate athletics. This proposed framework takes into consideration discussion points from the Board of Regents October 4, 2012 meeting, as well as recently identified best practices. Modifications to the framework presented on October 4, 2012 are included in italics.

REQUESTED ACTION

Approval of Resolution 5.

That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the accountability reporting framework for NCAA intercollegiate athletics programs.

DISCUSSION

Each institution that has an intercollegiate athletics program must have in place policies and procedures, internal and external, which ensure necessary information is delivered to the chancellor and, as appropriate, to the President of the University of Wisconsin System and the Board of Regents.

Reporting and accountability requirements

In order to ensure that the Board of Regents is informed and knowledgeable about intercollegiate athletics, each chancellor of an institution that participates in Division I athletics shall furnish to the Board of Regents, on an annual basis, information that addresses academic, fiscal, and compliance issues of intercollegiate athletics. The following information is required:

- 1) Introductory section, including the following information:
 - a. Athletics Department Mission Statement
 - b. *NCAA Classification*
 - c. *Description of the role of intercollegiate athletics at the institution*
 - d. *Description of how the success of the intercollegiate athletics program is measured*
 - e. *Title of the individual to whom the director of intercollegiate athletics reports*
- 2) Financial highlights, including, at a minimum, the following information:
 - a. Surplus (deficit), including a description of how deficits will be handled
 - b. Athletics department year-end unrestricted fund balances
 - c. Total debt outstanding and annual debt service requirements on athletics facilities
 - d. Value of endowments dedicated to the support of athletics
- 3) Academic Progress Rate Data, including, at a minimum, the following information:
 - a. Most recent published NCAA Academic Progress Rate scores, including comparative information publicly available on NCAA website
 - b. Three-year Academic Progress Rate trend data for three largest revenue generating sports
 - c. Benchmarks used by athletics to assess academic progress rate data, if criteria exist
- 4) Graduation Rate Data and Other Academic/Admissions Information, including, at a minimum, the following:
 - a. Most recent published NCAA Graduation Success Rate report
 - b. Three-year federal graduation rate trend data of the regular student body for: 1) all student-athletes, 2) three highest revenue men's sports, and 3) three highest revenue women's sports
 - c. Number and rates of special admissions of athletes compared with those of the regular student body
 - d. Average GPA of student-athletes
 - e. Information on the declared majors of student-athletes
 - f. Benchmarks used by athletics to assess graduation rate data and other academic/admissions information, if criteria exist
- 5) Agreed-Upon Procedures Report
- 6) Intercollegiate Athletics Budget

- 7) Evaluation Reports Conducted in Accordance with Section 22.2.1.2(e) of the NCAA's Division I Manual (as issued)
- 8) NCAA Self-Study Report (in years required by the NCAA)
- 9) *A list of all major violations reported to the NCAA, and those minor violations reported to the NCAA, as provided to the institution's athletic board/committee.*

In addition to furnishing the above information to the Board of Regents on an annual basis, the chancellor and athletic director of each institution that participates in Division I athletics will present items 1) through 4) to the Board of Regents or its designated committee on an annual basis.

Although no annual reporting requirement exists, the Board of Regents may request that University of Wisconsin institutions that participate in Division II or Division III athletics provide similar information as included above at any time. Additionally, University of Wisconsin institutions that participate in Division II or Division III athletics are required to comply with the *Ongoing Reporting Obligations* requirements included below.

Ongoing Reporting Obligations

- 1) Each institution is to immediately notify the Chancellor, who in turn will immediately notify the President of the UW System for communication to the Board of Regents President, of all NCAA major infractions (known or suspected), NCAA investigations, conference investigations, or any other events or situations which might spark unusual public interest in the athletic program, particular team(s), or individual student athlete(s) at that institution and is to provide sufficient detail (if known) concerning these events or situations to permit the President and the Board of Regents to respond appropriately to inquiries.
- 2) Each institution is required to comply with all Board of Regents Policy Documents requiring review and/or approval of significant contractual arrangements or compensation agreements.
- 3) Each institution is required to complete and provide an annual certification letter to the President of UW System and the Board of Regents as included in Attachment A. The certification letter should be signed by the institution's chancellor and athletic director, as well as any other athletics personnel deemed appropriate, such as an athletics compliance officer.
- 4) *Each institution is required to report to the University of Wisconsin System's Office of the President all fiscal shortfalls that may result in financial deficits both short and long term as they become known.*
- 5) Each institution is to submit all required annual NCAA Reports, Equity in Athletics Disclosure Act Reports, annual Agreed-Upon Procedure Reports, and periodic

conference review reports to the appropriate governing bodies (e.g., NCAA, Department of Education).

RELATED REGENT POLICIES

Regent Policy Document 10-1, *Endorsement of Statement of Principles from the Knight Foundation Commission on Intercollegiate Athletics*

ATTACHMENTS

Attachment A: Draft Annual Certification Letter

NCAA Oversight Certification Letter

Date

Board of Regents President
UW System President
Van Hise Hall
1220 Linden Dr.
Madison, Wisconsin 53706

Presidents:

In connection with your oversight of the [institution name's] intercollegiate athletics program, we confirm, to the best of our knowledge and belief, the following:

1. There are no instances of known or suspected non-compliance with NCAA rules and regulations.

- or -

We are aware of the following instance(s) of known or suspected non-compliance with NCAA rules and regulations: [provide list, including the instance noted, and whether self-reporting to the NCAA has occurred].

2. There are no known or suspected illegal acts or non-compliance with federal, state, or local law by individuals employed by the institution, or individuals who serve as an agent of the institution.

- or -

We are aware of the following instance(s) of known or suspected illegal acts or non-compliance with federal, state, or local law by individuals employed by the institution, or individuals who serve as an agent of the institution: [provide list, including the instance noted, and whether self-reporting to the NCAA has occurred].

3. There are no investigations/monitoring reviews currently underway by the NCAA, law enforcement officials, or others.

- or -

There is currently an investigation/monitoring review underway by [fill in the name of agency] related to [subject matter]. Communication to System Administration or the Board of Regents has included [fill in blank].

4. We have no knowledge of any allegations of fraud or suspected fraud affecting intercollegiate athletics received in communications from employees, former employees, or others.
5. There have been no modifications to the institution's gender-equity plan from our previous self-study, dated [fill in blank], and all aspects of the plan have been fully implemented.

- or -

There have been the following modifications to the institution's gender-equity plan from our previous self-study, dated [fill in blank]: [describe]. All aspects of the plan, as amended, have been fully implemented.

6. We have processes in place to ensure background checks are performed on all coaches, assistant coaches, contractors, volunteers, student employees, and other individuals serving as an agent of the institution related to intercollegiate athletics. These processes apply to those involved with offering camps and clinics, and others who participate in activities involving children. Adverse outcomes of background checks are evaluated by [describe process].
7. We understand our fiduciary responsibilities to act in the best interest of the institution even if it conflicts with the immediate interests of the athletic department.
8. The athletic department has not intervened when a student-athlete is being disciplined under regular student conduct rules.

Very truly yours,

Name
Chancellor

Name
Athletic Director

Name
Athletics Compliance Officer (if appropriate)

Name
Other (if appropriate)

SERVING STUDENT VETERANS IN THE UW SYSTEM

EXECUTIVE SUMMARY

BACKGROUND

Veterans Day falls on November 11th each year and is intended to honor and thank all military personnel who served the United States in all wars. The November 8th Board of Regents meeting provides an opportunity to: (1) highlight the range of services that the UW System provides to student veterans; (2) honor and thank veterans in the UW System; and (3) discuss challenges facing student veterans and UW institutions.

DISCUSSION

The federal Post-9/11 GI Bill is the most significant expansion of veterans' education benefits since the original GI Bill was passed near the end of World War II. Veterans with at least 90 days of active duty service after September 11, 2001 are eligible for benefits. In addition to the federal benefit program, the state of Wisconsin provides full remission of tuition and fees to eligible veterans and the children and spouses of Wisconsin veterans determined to be at least 30% or more disabled. As a result of these educational benefits, institutions of higher education are experiencing a significant increase of veteran students.

Student veterans are a growing segment on college campuses but represent a small proportion of total students. While the number of student veterans served by UW institutions has increased by more than 200% since the Wisconsin GI Bill was implemented in 2005, student veterans still account for less than 3% of the total student population. Unlike the veterans who attended college on the original GI Bill following World War II, today's veterans "...live in a society where very few people have connections to the military..." which can lead to stereotypes about veterans and their experiences and contribute to a sense of isolation that many veterans experience.¹ Programs and services to address these issues can help student veterans as they acclimate to civilian life.

Veterans are an important segment of the higher education student population. These nontraditional students are typically older and are more likely to be non-white than traditional students,² have transfer credits earned through courses taken while in the military, have experience living abroad and knowledge of other cultures, and have personal experience with leadership, innovation, accountability, and responsibility.³ However, student veterans often face unique challenges that other nontraditional students do not encounter. Veterans who served in

¹ Sander, Libby. At Half a Million and Counting, Veterans Cash In on Post 9/11 GI Bill. The Chronicle of Higher Education. March 11, 2012.

² Radford, Alexandria Walton. 2009. *Military Service Members and Veterans in Higher Education: What the New GI Bill May Mean for Postsecondary Institutions*. Washington, DC: American Council on Education.

³ O'Herrin, Elizabeth. *Enhancing Veteran Success in Higher Education*. Peer Review, Winter 2011, Vol. 13, No. 1. Association of American Colleges and Universities.

combat may face challenges in adjusting to the civilian environment, or they may require academic and disability accommodations as a result of their military experience. Others may struggle with the complex array of available benefit programs and the bureaucratic or enrollment hurdles.⁴

The number of veterans and their families accessing benefits at UW institutions has more than tripled since the Wisconsin G.I. Bill was implemented in the fall of 2005. The number of veterans has increased over 200%, from 1,339 in 2005-06 to 4,053 in 2010-11, while the number of children and spouses served has increased by nearly 370%, from 318 to 1,176. The total cost of the tuition and fee remissions for veterans, and children and spouses of veterans, has increased from \$4.3 million in 2005-06 to \$16.2 million in 2010-11. Additional information will be provided at the November 8th Board of Regents meeting regarding federal and state educational benefit programs for veterans, as well as the characteristics and academic success of student veterans, and efforts to award credit for military experience.

Each UW institution has a Veterans Coordinator who assists veterans in applying for federal and state educational benefits and advises veterans on the availability of other benefits. (Examples of other veterans-related activities coordinated at UW institutions are shown in the Appendix.) The November 8 Board of Regents meeting will include a panel of Veterans Coordinators from three campuses who will discuss the range of programs and services provided at UW institutions, and the challenges institutions face in serving student veterans. Panelists are:

Miranda Cross-Schindler
Military Education Benefits Coordinator, UW-Eau Claire

Elaina Koltz
Veterans Certifying Official, UW-Green Bay

Janice Nordin
Veterans Coordinator, UW-Whitewater

Three current or former UW student veterans have also been invited to speak about their experiences at UW institutions:

Eli Caywood, UW-Platteville
Suzan Bayorgeon, UW-Stevens Point
Corie Richardson, UW-Milwaukee

SUPPORTING MATERIALS

- ✓ [The New GI Bill and Student Veterans, Kevin P. Reilly, Association of Governing Boards, Trusteeship Magazine, September/October 2008 \(Volume 16, No. 5\).](#)

⁴ McBain, Lesley, Kim, Young M., Cook, Bryan J., and Snead, Kathy M. 2012. From Soldier to Student II: Assess Campus Programs for Veterans and Service Members. Washington, DC: American Council on Education.

- ✓ [Enhancing Veteran Success in Higher Education, Elizabeth O'Herrin, Association of American Colleges and Universities, Peer Review, Winter 2011 \(Vol. 13, No. 1\).](#)
- ✓ [Colleges Expand Services for Veterans, but Lag in Educating Faculty on Veterans' Needs, Libby Sander, The Chronicle of Higher Education, July 25, 2012.](#)

REQUESTED ACTION

For information only; no action is required.

RELATED REGENT POLICIES

NA

APPENDIX

Examples of UW Activities, Support, and Events for Veterans 2011-2012

UW-Eau Claire

- Hired full-time benefits coordinator and program manager to certify enrollment for veteran benefits and advocate for veterans on campus.
- Hosted “You Served--We Care” student veterans conference in February 2011, to provide a forum for higher education professionals and student veterans to share ideas and discuss such as military education benefits, the value of military experience in career planning, and navigating the VA medical system.
- Established a Veterans Center at the student union to provide a meeting place for student veterans, faculty, and staff.
- Hosts a federal Veterans Administration Telehealth station to provide mental health counseling and case management to veterans and lessen the need to travel to VA medical centers.
- Surveys non-returning student veterans to assess why they did not return to campus.
- Supports women veterans by sponsoring lunches, donating to the Women Veterans Stand Down project at the American Legion, and inviting a therapist from the La Crosse Vet Center to speak with women veterans.
- Engages in a wide range of outreach and support activities such as recognizing veterans at football games, holding a student veteran orientation in the summer, hosting Veterans Day programming, and starting a fund for veterans to receive personal tutoring.
- Participated in “Field of Honor and Honoring Our Veterans” presentations, September 13-14, 2012. (<http://www.uwec.edu/CE/programs/veteran.htm>)
- Initiated a fundraising campaign with the UW Foundation, targeting alumni veterans and veteran-friendly businesses for contributions to provide scholarships for veterans, children, and dependents.
- Hosted “Remembering Our Fallen,” October 28-November 2, 2011. (<http://rememberingourfallen.org/>)

UW-Green Bay

- Hosts an annual Chancellor Veteran Reception to welcome students who have been deployed and thank all veterans in the community.
- Schedules regular Student Information Sessions to update students on veteran benefit changes.
- Hosts an annual State Veteran Benefit Open House for the area.
- Donates/collects items for Vets for Vets care package project for military personnel on active duty.
- Started a mentoring program for prospective student veterans.
- Hosted a panel presentation on veteran reintegration issues that included LTC (Retired) Cynthia Rasmussen.

UW-La Crosse

- Hired a full-time educational benefits coordinator to administer federal and state VA programs, and appointed an Academic Adviser to work with veterans and transfer students.
- Opened a Veterans Service Center to provide a dedicated space for veterans and their dependents to relax or study.
- Offers a separate orientation program for veterans, “From Combat to College.”
- Veterans Club meets weekly and holds events on campus and in the community.

UW-Madison

- Division of Student life hosted a career and internship fair in September 2012 with the participation of more than 40 major employers, including Google, Ford Motor Company, US Bank and Mayo Clinic.
- The Waisman Center is sponsoring a clinical trial research project with student veterans to determine the impact of different Post Traumatic Stress Disorder (PTSD) treatments. (<http://www.youtube.com/watch?v=OYYYBA7HdSM>)
- Implementing a one-credit-hour veterans’ transition course in spring 2013 and fall 2014 to help ensure that veterans have smooth transition from military culture into civilian and university culture.
- Provided a veterans “welcome desk” at 41 separate orientation sessions.
- Hosted an evening with Kyle Hausmann-Stokes who was awarded the Bronze Star for service in Iraq. He produces soldier-centered films including “Now, After,” a short film about a young veteran’s experience with PTSD, used in hospitals, universities, and police stations.
- Participates in the “Remembrance Day National Roll Call” on Veterans Day to honor those killed in action in Operation Iraqi Freedom and Operation Enduring Freedom.
- Student veterans host a fall resource fair to share information about on- and off-campus resource agencies, and to boost involvement in the Student Veterans of America chapter.
- Vets for Vets hosted a screening and discussion with director Heather Courtney, whose film, “Where Soldiers Come From,” portrays the experience of young men who fight overseas wars and then return to their small hometown in Michigan.

UW-Milwaukee

- Constructed new space in the student union for veterans, the Military and Student Veterans Resource Center, which serves as a general meeting area and offers supportive programming.
- Sponsoring the 3rd Annual UW-Milwaukee 2012 Veterans Day Recognition event.
- Hosts a website focused on veterans’ issues and includes an inclusive listing of general information, news and current events, and campus and community resources. (<http://www4.uwm.edu/veterans/>)
- Offers veterans-only classes covering military to campus transition (Educational Psychology 101-098) and a veterans’ writing workshop (English 218-001).
- The Institutional Review Board is vetting several research proposals that focus on veterans.
- Offers a “Guitars for Vets” or G4V class to veterans enrolled or working at UW-Milwaukee; participating students receive a free guitar.
- Office of Residence Life planning a Veteran/Military Living Learning Community (Panther Barracks) planned for launch on campus, fall 2013.

- Student Veterans of America (SVA) chapter honored as outstanding student organization by the University.
- Partnering with the Pat Tillman Foundation and 49 other schools to collect data for a six-year longitudinal study of student-veteran persistence.
- Holds an annual Benefits Open House for students, veterans, and the community to connect participants to federal and state agencies that offer services for veterans and dependents.
- Veterans Advisory Council plans on-going activities and events.

UW-Oshkosh

- Opened a Veterans Resource Center which includes a lounge, computer lab, and office/meeting space.
- Created a Veteran Resource Coordinator position to facilitate outreach and coordinate student services and non-education VA resources.
- Organized 2011 Veterans Week activities which included LTC Schulz of the Department of Defense's Yellow Ribbon program, film screening of "The Welcome," art exhibits, a flag display for each veteran on campus, and a Student Veterans Association video game tournament.
- Implemented a peer mentoring program which pairs each incoming student with a trained student veteran mentor to assist with integration on campus.
- Hosted a veterans listening session with Lt. Governor Rebecca Kleefisch, Secretary of Safety and Professional Services Dave Ross, Secretary of Workforce Development Reggie Newsom, and Secretary of Veterans Affairs John Scocos.
- Implemented on-campus office hours and services for the County Veteran service officer, the Vet Center Counseling Office, and for Department of Veterans Affairs case managers.
- Implemented veterans-specific orientations and a priority registration program.
- Created a "professional skills" workshop to assist veterans in résumé writing, job searching, professional networking, and interviewing.
- Hosting 2012 veterans week events, to include a Vietnam War discussion panel, film screening of "Lioness" and discussion panel, the Remembering our Fallen exhibit, and a presentation and exhibit on nurse veterans. <http://www.uwosh.edu/today/21924/pulitzer-winning-journalist-to-keynote-nov-10-iraq-war-symposium/>

UW-Parkside

- Co-hosted a Veterans Benefits Open House in 2011-2012.
- Established a Veteran Services Improvement Work Group to analyze current veteran services and support, identify potential gaps in service, and develop recommendations for program enhancements.

UW-Platteville

- Hosts a series of programs for Veterans Day each November.
- Conducted a training seminar for faculty and staff to raise awareness of veterans' specific issues, and to provide resources on how to assist students in crisis.
- Planning to hire a Director of Veterans Services and open a dedicated veterans' resource center.
- Veterans Club organized multiple fundraisers and donated approximately \$2,200 to the Wounded Warrior Project and \$9,000 for an alumnus seriously wounded in Afghanistan.

UW-River Falls

- Employs a full-time staff member to assist veterans, provides an office solely dedicated to serving veterans, and sponsors three VA-Work Study students to help with the daily operations of the office.
- Sponsors a Vet Center therapist who meets with students weekly.
- Provides faculty and staff training at various times throughout the year.
- Sponsors a Veterans Week, which offers activities for students, faculty and staff.
- Surveys veterans and dependents annually for feedback on services provided.
- Sponsors a veterans club, involved with the local community.
- Provides important notifications to veterans using social media.

UW-Stevens Point

- Employs a full-time Veterans Coordinator who is a resource for prospective and current students, facilitating admissions and financial aid application processes, and advocating for veteran students with other campus offices.
- Hosted a “Welcome to UWSP” event for new veterans, providing an opportunity for veterans to socialize with one another and familiarize themselves with the campus.
- Provides dedicated space for a representative from the regional Vet Center to provide free walk in counseling one day each week.
- Provides space for the Vets Club Office is in the Dreyfus University Center.
- Departments of History, Art, and Communications are planning a Combat Paper and Warriors Writing workshop for the spring of 2013.
- Planning to host the “Always Lost Exhibit” a pictorial and literary representation of the Iraq War, including a mosaic of thumbnail pictures of each veteran who has been lost.
(http://www.wnc.edu/always_lost/)
- Veterans Advisory Committee meets to share information on Veteran services on campus.
- Students and deployed veterans who leave school to attend training for the Army Reserve and national Guard are placed in a course that keeps their email accounts active, allowing them to connect with advisors, register on-line, and communicate with classmates.

UW-Stout

- Maintains a “Military to UW-Stout Career Preparation” webpage which provides information to veterans interested in pursuing careers that relate to their military training.
(<http://www.uwstout.edu/veterans/careers.cfm>)
- Hosts veteran-related events, including presentations and speakers, Veterans Day ceremonies, National Roll Call, and an annual Military Appreciation Day.
- Implemented a Veterans Council that meets quarterly to address veterans’ issues on campus.
- Hosts an annual Veteran Student Fair that includes veteran resources from the university, state and federal organizations, and the local community.
- Offers Telehealth services in conjunction with the Department of Veterans Affairs, a secure, confidential, on-line video-conferencing system for psychiatric services that allows veterans who have established psychiatric care to conduct all follow-up appointments at UW-Stout to cut down on travel distance and costs. (<http://www.telehealth.va.gov/>)

- Sponsors the Veterans Club, an official campus veteran organization that hosts events on campus and in the surrounding community, serves as a support system for veterans on campus, and provides networking opportunities.
- Hired an additional half-time Veterans Certifying Official to process veterans benefits and advocate for veterans at the university.

UW-Superior

- Opened a Veterans & Non-Traditional Student Center.

UW-Whitewater

- Provides a lounge for veterans inside the Anderson Library equipped with reading material and Skype-enabled computers that allow veterans stay connected to relatives and friends stationed overseas.
- Hosts an annual open house for veterans and hosts a of week of events, including movie screenings, a resource fair, free football tickets and half-time recognition, and free lunches.
- Maintains a policy on class absences due to military service.
- Offers an annual art exhibit that highlights various military themes each year.
- Maintains deployed veterans as “active” students so they do not have to be readmitted upon their return. Students also retain access to e-mail and computer applications, may take classes, and may meet electronically with advisors and instructors while they are deployed.
- College of Education and Professional Studies maintains a policy that reserves a spot for students admitted to the Professional Education program if they are deployed, provided the student meets all existing regulations/requirements for the program upon reinstatement.
- Implemented a “mini-orientation” for veterans/military servicemembers as part of the regular orientation process which allows veterans to meet other veterans, learn about resources and benefits on campus, and meet with the graduate student veteran advisor.

UW Colleges

UW-Baraboo/Sauk County

- Formed a campus veterans club in fall 2011 that organizes events and fundraisers.

UW-Fox Valley

- Hosted Veterans Day ceremonies that include reading the names of men and women killed in action during Operations New Dawn, Iraqi Freedom, and Enduring Freedom.
- Hosted a veterans table at an all-campus picnic to recruit students for the veterans club, as well as to educate faculty, students, and staff about veterans services.
- Veterans Club hosted a flag football battle and invited people to sign up for a team from their favorite branch of the service.
- Planning a brown bag series to help educate faculty about student veterans’ needs within and outside of the classroom.

UW-Marathon

- Veteran's Club participated in the National Roll Call event on Veteran's Day; students, staff, and faculty took turns reading names of soldiers who "gave their last full measure of devotion" while serving in Iraq and Afghanistan.
- Organizes a Veterans Open House at the beginning of each fall and spring semester providing veterans an opportunity to ask questions about college, campus life, and education benefits.

UW-Marshfield/Wood County

- Hosting the "Remembering Our Fallen" exhibit from November 13-30, 2012.

UW-Sheboygan

- Launched a Student Veterans of America chapter.

UW-Waukesha

- Official campus veterans club, the UW-Waukesha Student Veterans Association, meets weekly, offering study groups, group events and outings, personal support, and promoting community volunteerism.
- Established a Veterans' Resource Center office on campus, staffed by student veterans, to assist student veterans with questions and concerns about school and veterans' benefit issues.
- Planning to unveil a permanent art installation honoring veterans during the campus Veterans' Day celebration on November 9, 2012.

UW Systemwide

- UW System Administration maintains a Veterans Wisconsin Education Portal to welcome veterans home, provide easily-accessed information on benefits, assist with the transition from military service to college, and find the right fit from among Wisconsin's public colleges and universities. (<http://veterans.wisconsin.edu/>)
- UW System Administration developed the Wisconsin GI Bill Data System, a secure on-line data reporting and benefits calculation system that provides more accurate benefit determination and simplifies administration for campuses. The system went live in spring 2011 and is used by WTCS campuses, as well. UW institutions are serving nearly 4,000 veterans and more than 1,500 children and spouses, each of whom undergoes a separate intake process. The interaction of state and federal veterans' benefits requires an extraordinary level of coordination and effort between Veterans Certifying Officials and the Financial Aid, Registrar, Bursar and Academic Advising Offices on campus.
- UW System Administration convenes the Statewide Committee on Veterans Issues (SCOV), with representatives from the federal Veterans Administration, the state Department of Veterans Affairs, the state Department of Military Affairs, the Wisconsin Technical Colleges, student veteran organizations and UW campus staff. SCOV, convened twice each year, recommends appropriate policy and shares best practices and innovative programs that enhance the recruitment, retention, and successful graduation of student veterans.
- UW Veterans Certifying Officials host an intensive two-day workshop at the Wisconsin Association of Collegiate Registrars and Admission Officers (WACROA) meeting every June, focused on how to best serve student veterans in the face of continually changing federal and state benefits.

10-31-12

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business, Finance, and Audit Committee

Thursday, November 8, 2012
Room 1820 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

8:30 a.m. Business, Finance, and Audit Committee – Room 1820 Van Hise Hall

- a. Amendments to the Bylaws of the UW Medical Foundation
[Resolution I.2.a.]

Amendments to the Bylaws of the
University of Wisconsin Medical Foundation

BUSINESS, FINANCE, AND AUDIT COMMITTEE

That, upon the recommendation of the Clinical Faculty of the University of Wisconsin School of Medicine and Public Health, the Dean of the School of Medicine and Public Health, the Chancellor of the University of Wisconsin-Madison, and the President of the University of Wisconsin System, the Board of Regents approves the proposed amendments to the University of Wisconsin Medical Foundation bylaws as outlined in Attachment A and adopts the amended bylaws as presented in Attachment B of these materials.

AMENDMENTS TO THE BYLAWS OF THE UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION

EXECUTIVE SUMMARY

BACKGROUND

The University of Wisconsin Medical Foundation, Inc. (“**UWMF**”) is an Internal Revenue Code §501(c)(3) not for profit, non-stock corporation organized pursuant to Chapter 181 of the Wisconsin Statutes and pursuant to the authority extended by the Board of Regents under an agreement between the Board and UWMF dated May 15, 1995 (“**Agreement**”). According to the Agreement and UWMF’s corporate bylaws (the “**Bylaws**”), the UWMF was and is organized to support the missions of the University of Wisconsin School of Medicine and Public Health.

Article XIV of the Foundation’s bylaws requires that all proposed amendments be submitted to the Chancellor and the Board of Regents at least 60 days prior to the time they become effective.

REQUESTED ACTION

Approval of resolution I.2.a.

That, upon the recommendation of the Clinical Faculty of the University of Wisconsin School of Medicine and Public Health, the Dean of the School of Medicine and Public Health, the Chancellor of the University of Wisconsin-Madison, and the President of the University of Wisconsin System, the Board of Regents approves the proposed amendments to the University of Wisconsin Medical Foundation Bylaws as outlined in Attachment A and adopts the amended Bylaws as presented in Attachment B of these materials.

DISCUSSION

Clinical faculty (“**Faculty**”) of the University of Wisconsin School of Medicine and Public Health (“**UWSMPH**”) voted to amend the UWMF corporate Bylaws. The amendments approved by Faculty vote include:

- 1) Membership of UWMF Standing Committees to the UWMF Board of Directors (the “**Board**”); and
- 2) The process by which individuals are nominated for election and elected as Faculty Directors to the UWMF Board.

The impetus for these changes was the desire to ensure fair and broad representation of all UWMF clinical faculty members to the UWMF Board regardless of Clinical Department affiliation.

HISTORY

Historically, the UWMF Board has had four classes of director membership: Chair of the Board (Dean of UWSMPH), Chief Executive Officer of UWMF, Basic Sciences Chair, Chair Directors (4), Faculty Directors (6), and Public Directors (6). Faculty Directors are chosen based on District, with two Faculty Directors serving on the Board from each "District". The Districts were defined in 2001 when the UWMF Board was redefined. In order to develop these Districts, each of the Clinical Departments was assigned into one of the three Districts based on the size of the Department (i.e., number of faculty) in order to ensure that all faculty were represented in UWMF governance.

History has shown that only six (6) of the sixteen (16) Clinical Departments have had Faculty Director representatives on the UWMF Board, and therefore beginning in late 2009 the Council of Faculty ("CoF") began to explore and consider other means of developing diversity of Faculty Director membership on the UWMF Board. This process led to the Faculty vote which concluded on September 7, 2012.

UWMF BOARD FACULTY DIRECTOR NOMINATIONS/ELECTIONS

The current process of nominations for Faculty Director candidates is through the UWMF Board of Directors. Department Chairs within eligible districts nominate up to two (2) candidates for each eligible seat through their Foundation Department Committee. Ballots are sent to participating district eligible faculty members.

The Faculty voted to approve a process whereby the UWMF CoF will administer the Faculty Director nomination and election process. Faculty members will self-nominate and submit a Faculty Director nomination application. The UWMF CoF will review all nomination applications and select a maximum of six (6) candidates for the two eligible seat(s) to be included on the election ballot.

The UWMF CoF will select the slate of candidates based on defined diversity criteria which include: department representation, experience, practice location, academic interests, type of practice, and demographics.

If the UWMF CoF is unable to fulfill its responsibility, the UWMF Executive/Governance Committee will determine the slate of candidates following the same defined criteria.

UWMF STANDING COMMITTEES

The faculty also voted to approve changes which eliminated faculty representation on standing committees based on assigned districts. Faculty will be allocated from Departments for standing committee membership with the goal of diversity of representation.

RELATED REGENT POLICIES

None

INVENTORY OF AMENDMENTS

The purpose of these amendments to the UWMF Bylaws is to eliminate the three (3) districts for selection of Faculty Director membership to the UWMF Board and replace the districts with a process which facilitates faculty at large nominations for Faculty Directors and for Faculty membership on UWMF Standing Committees. These amendments also include minor revisions to update the Bylaws relative to committee membership, committee name changes, and addition of new governance committees advisory to and as recommended and approved by the UWMF Board of Directors.

AMENDMENTS

Districting of Faculty Members

Eliminate districts for Faculty governance

Faculty Directors – replace district representation with six (6) representative faculty as nominated by faculty at large, selected by the UWMF Council of Faculty and voted upon by faculty at large

See Pages: 5, 29-30

Faculty Committee Membership – replace representation by district with broad department representation

See Page: 32

Nominations of Faculty Directors

Received by Council of Faculty in accordance with diversity and other guidelines defined in Exhibit C

See Pages: 5, 29-30

District Nominations

Remove Section

See Page: 29-30

Removed and Replaced

Districts

Remove Exhibit B

See Page: 28

Removed

Removal of Faculty Member

Modified to accommodate districting changes

See Page: 6

Council of Faculty

Amend 5.7 to add duty of nominating Faculty Director candidates to “Powers and Duties”

See Pages: 12

Standing Committees

Change number of UWMF Standing Committees reporting to the UWMF Board of Directors from ten (10) to thirteen (13)

See Page: 10

Community Members

Allow for participation of Community Members on Committees

See Page: 9

UWMF Executive/Governance Committee

Rename UWMF Executive/Governance Committee (delete Nominations Committee) to accurately reflect role/responsibility of Committee

See Pages: 15-16, 33

Operations Committee

Rename: UW Health Ambulatory Operations Council

See Page: 10, 16

UW Health Ambulatory Operations Council

Merge UWMF Operations Committee into UW Health Ambulatory Operations Council.

Remains as advisory to UWMF and UWHC Boards

See Pages: 10, 16

UW Health Quality Council

Add UW Health Quality Council. Will be advisory to UWMF and UWHC Boards

See Pages: 10, 17

UWMF Investment Committee

Add UWMF Investment Committee

See Pages: 10, 19

New Committees

Add UW Health Quality Council, UWMF Industrial Interactions Review Committee, UWMF Investment Committee and UWMF Professional Conduct Committee as “UWMF Standing Committees”

See Pages: 10, 17-19

Exhibit B

Delete Exhibit B

See Page: 28

Removed

Exhibit C

Redefined to include process for nominations of Faculty Directors, diversity criteria and voting requirements

See Pages: 29-30

ATTACHMENT B

**BYLAWS OF THE UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
AMENDED EFFECTIVE OCTOBER 1, 2012**

**ARTICLE I
OFFICES**

- 1.1 Principal Office.** The University of Wisconsin Medical Foundation, Inc. (hereinafter referred to as either the “Foundation” or the “Corporation”) shall maintain a principal office in the State of Wisconsin, which shall be located in the City of Madison, Dane County. The Foundation may have such other offices, and may move its principal office either within or without the City of Madison, Wisconsin, as may be designated from time to time by resolution of the Board of Directors.
- 1.2 Address of Registered Agent.** The Corporation shall maintain a registered agent in the State of Wisconsin whose address may be, but need not be, identical with the principal office of the Corporation. The identity and address of the registered agent may be changed from time to time by resolution of the Board of Directors and filing of a statement with the Wisconsin Secretary of State pursuant to the provisions of the Wisconsin Statutes.

**ARTICLE II
PURPOSE**

- 2.1** The Corporation has been organized and shall be operated as a medical education and research organization exclusively for charitable, educational and scientific purposes as set forth below. The Corporation shall, in performing its purposes, at all times be operated exclusively for the benefit of, and to support the purposes and operations of, the University of Wisconsin School of Medicine & Public Health (“UW Medical School” or “Medical School” or “UWSMPH”) and the University of Wisconsin-Madison. The purposes of the Foundation are:
- (a)** To further the provision of health care that is safe, effective, patient-centered, timely, efficient, and equitable to all the sick and injured who may come for diagnosis, treatment, and care, without regard to race, color, creed, sex, age or ability to pay for services; and in so doing, promote the improvement of health and the reduction of the burden of illness, injury, and disability in the community served by Foundation physicians. To provide care to Medicare and Medicaid recipients, and particularly to provide such medical care for persons who may seek such care at clinics and hospitals where Foundation physicians practice.
 - (b)** To support high-quality instruction to medical students at the UW Medical School and to graduates of medical schools who are in

post-graduate training programs at clinics and hospitals affiliated with the UW Medical School.

- (c) To attract sufficient levels of patients seeking care at hospitals and clinics affiliated with the UW Medical School to support the teaching, research and service missions of the UW Medical School and the University of Wisconsin-Madison Schools of Nursing & Pharmacy.
- (d) To support medical and scientific research whether that research is conducted independently or in conjunction with the University of Wisconsin-Madison Schools of Nursing & Pharmacy, University of Wisconsin Hospitals and Clinic Authority ("University Hospital"), the UW Medical School and/or other corporations, organizations, foundations, funds, institutions, governmental bodies or individuals.
- (e) To support public and professional education on issues of health care through efforts which may include without limitation conducting, undertaking, promoting and developing discussion groups, forums, panels and lectures for the instruction and training of physicians, health care providers and personnel, patients, and the general public. Special emphasis shall be placed on preventive medicine and meeting the needs of under-served rural and urban populations.
- (f) To develop the administrative capacity to organize the efficient delivery of medical care. To coordinate with hospitals providing such care and particularly with University Hospital.
- (g) To conduct, undertake, promote, develop and carry on other charitable, scientific and educational work of any and every kind. The Foundation may do so either directly or by making or providing donations, gifts, grants, contributions, loans, guarantees, scholarships, fellowships or subsidies. The Foundation may use either net income or the principal assets of the Corporation, or both (without limit as to the amount going to any one recipient or in the aggregate to all recipients). Such donations, gifts, grants, contributions or loans may be to or for the use or benefit of other corporations, organizations, foundations, funds, institutions or governmental entities if they further the teaching, research and public service missions of the Medical School.
- (h) To generate, negotiate, and manage relationships and/or affiliations between the UW Medical School Faculty with hospitals, clinics, health care provider organizations, third-party payors, and managed health care systems as necessary to the realization of the objectives set forth in (a) through (g) above.

- (i) To accumulate and manage capital assets, and collect and distribute clinical revenues and investment income, in ways determined by the Board of Directors to enhance the UW Medical School missions of teaching, research, and public service.
- (j) To engage in and take such action to further the purposes set forth in (a) through (i) above as are consistent with the Articles of Incorporation, the requirements of Chapter 181 Wisconsin Statutes and §501(c)(3) of the Internal Revenue Code of 1986 as amended from time to time.

ARTICLE III

BOARD OF DIRECTORS

3.1 Powers.

- (a) **General Powers.** The affairs of the Corporation shall be managed by its Board of Directors and shall be subject to the terms of the agreement with the Board of Regents of the University of Wisconsin System (“Board of Regents”) entitled, “Agreement Between the Board of Regents of the University of Wisconsin System and the University of Wisconsin Medical Foundation, Inc.” (“Regents Agreement”). The Chancellor must receive advance notice of the formation of any other corporation or legal entity or any acquisition or merger with another corporation or legal entity.
- (b) **Statements of Policy.** Exhibits A to J attached to these Bylaws are statements of policy by the Foundation Board of Directors. Except for Exhibit H (“Compensation Principles & Policy”) and as otherwise provided in these Bylaws, the policies established in these Exhibits may be changed by the Foundation Board with the written approval of the Dean, but without approval by or notice to the Chancellor or Board of Regents.

3.2 Number and Designation.

- (a) **Generally.** The Board of Directors shall consist of nineteen (19) members. Changes to the composition of the Board of Directors require approval by the Board of Regents. The nineteen (19) directors shall be made up of the following persons:
 - (i) one (1) director shall be the Dean of the UW Medical School/Vice Chancellor of Medical Affairs (“Dean”);
 - (ii) one (1) director shall be the President of the Foundation (“President”);

- (iii) six (6) directors shall be independent members of the public (“Public Directors”) nominated and elected as described in § 3.4(a);
 - (iv) four (4) directors shall be chairs of the Clinical Departments of the UW Medical School (“Chair Directors”) appointed as described in § 3.4(b);
 - (v) six (6) directors shall be faculty members (“Faculty Directors”) nominated and elected as described in § 3.4(c); and
 - (vi) a Basic Science Chair representative, who will be selected via a process to be determined and implemented by the Chairs of the Basic Science Departments of the Medical School, and subject to the approval of the Executive/Governance Committee.
- (b) **Ex-Officio Directors.** The Dean and the President, who are ex-officio directors, shall be full voting members of the Board of Directors.

3.3 Qualifications of Directors.

- (a) **Residence.** Directors need not be residents of the State of Wisconsin.
- (b) **Public Directors.** Public Directors shall be representative of the service region of the Foundation including community leaders, health care and health science professionals who are (a) not related to the employees or officers of the Foundation and (b) not employed by the Foundation, the University of Wisconsin at Madison, the University of Wisconsin System or the State of Wisconsin.
- (c) **Chair Directors.** Only chairs of the Clinical Departments of the UW Medical School are eligible to serve as Chair Directors.
- (d) **Faculty Directors.** Any faculty member of the Foundation, other than a chair of a Clinical Department, is eligible to serve as a Faculty Director.
- (e) **Basic Sciences Chair Director.** Only chairs of the Basic Sciences Departments of the Medical School are eligible to serve as the Basic Sciences Chair Director.

3.4 Nomination and Election of Directors and Terms of Office.

- (a) **Public Directors.** The Public Directors will be elected by the Board of the Foundation in a process established by Board policy. The Board policy is attached as Exhibit A.
- (b) **Chair Directors.** The Council of Chairs shall select the four (4) Chair Directors.
- (c) **Faculty Directors.**
 - (i) **Faculty At Large.** The Faculty Directors shall be elected from candidates selected by the Council of Faculty from nominations received from the faculty at large.
 - (ii) The Council of Faculty will select candidates from the nominations it receives utilizing criteria which shall include, at a minimum, gender balance, experience level, the location of practice, and the functional practice of the nominee. Candidates shall be limited to those Departments which are not already represented by Faculty Directors. If the UWMF Council of Faculty is unable to fulfill its responsibility, the UWMF Executive/Governance Committee will determine the slate of candidates following the same criteria.
 - (iii) **Nomination and Election.** The Faculty will elect the Faculty Directors in a process established by Board policy. The Board policy is attached as Exhibit C.
- (d) **Terms of Office.** The four (4) Chair Directors, six (6) Public Directors, six (6) Faculty Directors, and the Basic Sciences Director shall each hold office for a term of three (3) years.
- (e) **Continuation.** Notwithstanding § 3.4(d) members of the Board shall hold office until their resignation or removal, or until their successor has been elected and qualified. During the term of the Regents Agreement, and prior to a notice of termination of that Agreement, removal of a director by the Chancellor creates an immediate vacancy.
- (f) **Temporary or Interim Appointments.** A person appointed as an “acting” or “interim” Dean or President will be a director during the term of such appointment.
- (g) **Re-election.** All directors may be re-appointed or re-elected, except that ex-officio directors serve until resignation or removal, or until a successor is appointed.

3.5 Resignation. A director may resign at any time by filing a written declaration of resignation with the Secretary of the Corporation.

3.6 Removal.

- (a) **Removal by Chancellor.** The Chancellor shall have the power to remove, at his or her pleasure, any Faculty Director, any Chair Director or the Basic Sciences Director, subject to the terms of the Regents Agreement.
- (b) **Chair Directors.** Chair Directors may be removed from office with or without cause by a written petition submitted to the Foundation Board and signed by two-thirds (2/3) of the members of the Council of Chairs.
- (c) **Faculty Directors.** Faculty Directors may be removed from office with or without cause by a vote of two-thirds (2/3) of the eligible voters casting a ballot in a recall election. A recall election shall be called by the Board of the Foundation promptly upon presentation to the Board of a written petition signed by one-third (1/3) plus one (1) of the eligible voters. Eligible voters shall be all Foundation faculty members.
- (d) **Removal for Cause.** In the sole discretion of the Foundation Board, any Director may be removed for cause, as determined by the Foundation Board taking into consideration the policy attached as Exhibit D to these Bylaws.

3.7 Vacancies. In the event a vacancy occurs on the Board of Directors for any cause such vacancy will be filled promptly.

- (a) **Public Directors.** If a vacancy occurs among the Public Directors, the Foundation Board shall hold an interim election in accordance with § 3.4(a).
- (b) **Chair Directors.** If a vacancy occurs among the Chair Directors, the Council of Chairs will fill the position in accordance with § 3.4(b).
- (c) **Faculty Directors.** If a vacancy occurs among the Faculty Directors, the Council of Faculty shall hold an interim election in accordance with § 3.4(c).
- (d) **Basic Sciences Chair Director.** If a vacancy occurs for the Basic Sciences Chair Director, the Chairs of the Basic Science Departments of the Medical School will fill the position in accordance with § 3.2(a)(vi).

- (e) **Ex-Officio Members.** If a vacancy occurs among the Ex-Officio Directors, the position will be filled by the successor or interim successor to the position of Dean or President, as the case may be.
- (f) **Term.** A Chair Director, Faculty Director, Public Director or Basic Sciences Director elected in an interim election shall finish the term of his or her predecessor, unless the remainder of the term is less than six (6) months at the time of the interim election. If the remainder of the term is less than six (6) months, the Chair Director, Faculty Director, or Public Director will finish the term of his or her predecessor and serve the succeeding three (3) year term.

3.8 Advice on Personnel Matters. At least once each three (3) years, or more frequently at their discretion, the Board of Directors shall seek the advice of interested persons, councils, and committees regarding the performance of the CEO.

3.9 Annual or Special Faculty Meetings. Annually in conjunction with the Annual Faculty Meeting, there shall be a Foundation meeting of the Board of Directors with the Foundation's faculty.

- (a) **Scheduling.** The Board shall seek the input of the Council of Chairs and the Council of Faculty in setting the agenda for this meeting. Special meetings shall be held on the written petitions of not less than twenty percent (20%) of the Faculty, not less than a two-thirds (2/3) vote of the Council of Faculty or on call of the Board of Directors. The petition, the vote, or the call of the Board of Directors shall specify the agenda for the meeting and notice shall go to each Faculty employee specifying the date, place, and agenda for the meeting at least ten (10) days in advance.
- (b) **Faculty Vote on Certain Changes to Bylaws.** Certain proposed changes to the Bylaws and to the Foundation's Compensation Principles & Policy, Exhibit H, as defined in § 14.2, shall be presented as may be necessary by the Board of Directors at an annual or special Faculty meeting. Such changes shall not be adopted unless approved by not less than a two-thirds (2/3) vote of those voting in person or by proxy at the meeting or by a mail or electronic ballot circulated after the annual or special meeting.

3.10 Regular Meeting. The Board of Directors shall provide by resolution for regular meetings of the Board of Directors, to be held at a fixed time and place, and, upon the passage of any such resolution, such meetings shall be held at the stated time and place without notice other than such resolution.

3.11 Special Meetings. Special meetings of the Board of Directors may be held at any time and place for any purpose or purposes, unless otherwise prescribed by statute, on call of the President, or upon the written request of any three (3) directors delivered to the Secretary.

3.12 Notice and Waiver of Notice.

(a) **Notice.** Except as provided in § 3.10, notice of the date, time and place of meetings shall be given to members of the Board of Directors. Unless a different time is required by Chapter 181 of the Wisconsin Statutes, notice shall be given orally or in writing delivered personally to each director at least twenty-four (24) hours prior to the meeting. Written notice may be mailed or faxed to each director at least seventy-two (72) hours prior to the meeting in lieu of personal delivery of notice. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his or her address as it appears on the records of the Corporation, with postage thereon prepaid. The purpose of and the business to be transacted at any special meeting of the Board of Directors shall be specified in the notice or waiver of notice of such meeting.

(b) **Waiver of Notice.** Whenever Wisconsin Statutes, the Articles of Incorporation or Bylaws of the Corporation require that the Corporation give any notice, a waiver thereof in writing signed at any time by the person or persons entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.13 Quorum. Ten (10) directors, or, if there are vacancies, fifty-one percent (51%) or more of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If fewer/less than such number/percentage are present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

3.14 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Wisconsin Statutes or by the Articles of Incorporation or Bylaws of the Corporation.

3.15 Informal Action by Directors. Subject to the requirement of the Regents Agreement that the Foundation be governed by the Wisconsin Public Meetings Law, the Board may take action by two-thirds (2/3) written consent of the Directors. The consent must be in a writing signed by all of the directors entitled to vote with respect to the subject matter thereof, and it must set forth the action

to be taken. Such consent may be for any action that the Articles of Incorporation or Bylaws of the Corporation or any provision of law requires to be taken at a meeting, or any other action that might be taken at a meeting. Such consent shall have the same force and effect as a unanimous vote.

3.16 Presumption of Assent. A director of the Corporation, who is present at a meeting of the Board of Directors, or a committee thereof, at which action on any corporate matter is taken, is presumed to have assented to the action taken. This presumption will stand unless the director's dissent is entered in the minutes of the meeting or the director files a written dissent to the action with the person acting as the Secretary of the meeting. Such dissent shall be filed before the adjournment of the meeting or shall be forwarded by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

3.17 Compensation. Directors may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement policy is authorized by the affirmative vote of a majority of the directors at a meeting at which a quorum is present.

3.18 Committees.

(a) **General Rules Applicable to Committees.** The Board of Directors may create committees in addition to the Standing Committees set forth in paragraph (c) below, having such powers as specified by the Board, and as are then permitted by these Bylaws and by Chapter 181 of the Wisconsin Statutes. The Executive/Governance Committee shall nominate, and the Board of Directors shall appoint members of committees subject to the Board policy, attached as Exhibit E. All committees, with the exception of the Compensation Review Committee and Executive/Governance Committee, may include individuals that are not directors. Administrators and Community Members, as defined in Exhibit E, may be appointed to committees as voting members, except for the Compensation Review and Executive/Governance Committees. All committees shall have such powers and duties, as provided in these Bylaws and not inconsistent with paragraph (b) hereof, as may be provided in the resolution creating such committee or as thereafter supplemented or amended by further resolution adopted by similar vote. The Board of Directors shall appoint the chairs of the committees. The President shall be a member, ex officio, of all committees with the exception of the Compensation Review Committee and the Audit Committee.

(b) **Nondelegable Powers; Rules of Committees.** Except for the Executive/Governance Committee and the Compensation Review

Committee, no committee of the Board of Directors shall be empowered (a) to act in lieu of the entire Board of Directors or (b) to promulgate policy on behalf of the Foundation. Each committee shall fix its own rules governing the conduct of its activities, not inconsistent with rules promulgated by the Board of Directors, and shall make such reports to the Board of Directors of its activities as the Board may request. All the committees may perform an advisory function to the President at the President's request.

(c) **Standing Committees.** The UW Health Ambulatory Operations Council, Compensation Development Committee, Compensation Review Committee, Audit Committee, Finance Committee, Compliance Support Committee, Retirement Plan Committee, Funds Flow Oversight Committee, Executive/Governance Committee, UW Health Quality Council, Industrial Interactions Review Committee, Professional Conduct Committee and the Investment Committee constitute the thirteen (13) Standing Committees of the Corporation. The names and duties of these committees may change from time to time at the discretion of the Board of Directors. As provided in § 3.18(a), the Board of Directors may appoint other committees.

(d) **Removal.** The Board of Directors may remove or replace a committee member at any time for any reason.

3.19 Meetings by Telephone or by Other Communication Technology. Subject to the requirement of the Regents Agreement that the Foundation be governed by the Wisconsin Public Meetings Law, meetings of the Board of Directors or committees of the Board of Directors may be conducted by telephone or other communication technology in accordance with ch. 181.0820(3) Wis. Stats. or any successor statute thereto. If such a meeting is conducted, all participating directors shall be informed at the time the meeting is to begin that a meeting is taking place at which official business may be transacted and that any director participating in such meeting is deemed present in person at the meeting. At the beginning of such a meeting, and again at the time any vote is taken at such a meeting, each of the directors shall first verify his or her identity and ability to hear each other simultaneously and have communication immediately transmitted to each and all participating directors. Meetings may be held pursuant to § 3.19 to address and to vote on any matter which properly comes before the directors pursuant to these Bylaws.

ARTICLE IV

COUNCIL OF CHAIRS

4.1 Members. There shall be a Council of Chairs made up of the Chairs of the Clinical Departments at the UW Medical School.

- 4.2 Meetings.** The Council of Chairs shall meet upon call of the Dean of the UW Medical School at least quarterly and shall meet upon call by the Council's Chair. Special meetings of the Council of Chairs may be held at any time and for any purpose upon call of the Council Chair or Dean.
- 4.3 Notice.** Notice of meetings of the Council of Chairs shall be given by oral or written notice delivered by mail or personally to each Council member at least seventy-two (72) hours or personally to each member at least twenty-four (24) hours prior to a meeting.
- 4.4 Chair.** The Chair of the Council of Chairs shall be elected according to the procedures adopted by such body.
- 4.5 Quorum.** A majority of the members of the Council of Chairs present at a meeting of the Council of Chairs shall constitute a quorum for the transaction of business at any such meeting.
- 4.6 Manner of Acting.** The act of a majority of a quorum of the voting members present at a Council of Chairs shall be the act of the Council of Chairs. If a voting member of the Council of Chairs cannot be present at any meeting, such voting member may delegate to and confer voting rights upon any ex-officio member from the same Department, so long as notice is given to the Chair of the Council of Chairs in advance of any meeting at which the voting member is not able to be present.
- 4.7 Powers and Duties.** The Council of Chairs shall advise and consult with the Board of Directors, the President, and the Dean on matters relating to the teaching, research, clinical and public service missions of the UW Medical School and the Foundation and on other issues of mutual concern. Such matters include, but are not limited to, the sale of all or substantially all of the assets or liquidation of the Foundation, the acquisition of major debt (which shall be defined as debt in excess of ten percent [10%] of the Corporation's annual clinically derived revenues), and a change to these Bylaws or the Articles of Incorporation. It shall advise on the agenda for annual or special Faculty meetings. It may pass advisory resolutions and present them to the Board of Directors.

ARTICLE V

COUNCIL OF FACULTY

- 5.1 Members.** There shall be a Council of Faculty. Each of the Medical School's Clinical Departments shall elect a Faculty member to the Council of Faculty by majority vote of their Foundation Departmental Committee. The six (6) Faculty Directors of the Foundation Board of Directors shall be non-voting ex-officio members of the Council of Faculty, except that any ex-officio member who has been affirmatively chosen by his or her Department as that Department's representative on the Council of Faculty shall retain voting rights on the Council.

- 5.2 Meetings.** The Council of Faculty shall meet upon call of the Dean of the Medical School at least quarterly and shall meet upon call by the Council's Chair. Special meetings of the Council of Faculty may be held at any time and for any purpose upon call of the Council Chair or the Dean.
- 5.3 Notice.** Notice of meetings of the Council of Faculty shall be given by oral or written notice delivered by mail or personally to each Council member at least seventy-two (72) hours or personally to each member at least twenty-four (24) hours prior to a meeting.
- 5.4 Chair.** The Chair of the Council of Faculty shall be elected according to the procedures adopted by such body.
- 5.5 Quorum.** A majority of the members of the Council of Faculty present at a meeting of the Council of Faculty shall constitute a quorum for the transaction of business at any such meeting.
- 5.6 Manner of Acting.** The act of a majority of a quorum of the voting members present at a Council of Faculty shall be the act of the Council of Faculty. If a voting member of the Council of Faculty cannot be present at any meeting, such voting member may delegate to and confer voting rights upon any ex-officio member from the same Department, so long as notice is given to the Chair of the Council of Faculty in advance of any meeting at which the voting member is not able to be present.
- 5.7 Powers and Duties.** The Council of Faculty shall advise and consult with the Board of Directors, the President, and the Dean on matters relating to the teaching, research, clinical and public service missions of the UW Medical School and the Foundation and on other issues of mutual concern. Such matters include, but are not limited to, the sale of all or substantially all of the assets or liquidation of the Foundation, the acquisition of major debt (which shall be defined as debt in excess of ten percent [10%] of the Corporation's annual clinically derived revenues), and a change to these Bylaws or the Articles of Incorporation. It shall advise on the agenda for annual or special Faculty Meetings. It may pass advisory resolutions and present them to the Board of Directors. The Council of Faculty shall receive nominations from the faculty at large for open Faculty Director positions. The Council of Faculty shall select candidates from the nominations it receives in accordance with the procedures and criteria specified in Exhibit C. Members of the Council of Faculty shall consult with their Foundation Departmental Committee and the Faculty in their Department, and act as a liaison between their Department and the Board of Directors.

ARTICLE VI

COMMITTEES

Each committee of the Foundation Board of Directors shall consist of no less than three (3) members. Subject to the provisions of § 3.18, the Corporation shall have thirteen (13) standing committees which act in an advisory capacity regarding

policy and other matters to the Board of Directors, unless expressly granted further authority by the Bylaws or the Foundation Board.

6.1 Compensation Development Committee.

- (a) **Duties.** The Compensation Development Committee shall act in an advisory capacity to the President, the Board of Directors, and the Compensation Review Committee. The Committee shall develop, recommend and monitor issues relating to compensation of the medical staff of the Corporation in accordance with the Foundation's Compensation Principles and Policy and to ensure compliance with the compensation requirements and limitations outlined in the Internal Revenue Service code and regulations.
- (b) **Limitations.** The Foundation's Compensation Principles and Policy has been developed and shall be administered in accordance with Internal Revenue Service code and regulations so as to avoid any claim of private inurement to any of the directors, officers or employees of the Corporation. All compensation plans shall reflect market conditions and be based on available compensation data and surveys prepared by outside consultants. The Foundation shall not pay compensation in excess of an applicable maximum without the express written approval of Compensation Review Committee and the Dean.
- (c) **Final Action.** The Compensation Review Committee shall take final action on compensation formulae and policy.

6.2 Compensation Review Committee. There shall be a Compensation Review Committee.

- (a) **Composition.** Notwithstanding the requirements of § 3.18, the Compensation Review Committee shall consist exclusively of the Public Directors.
- (b) **Powers.** The Compensation Review Committee shall act in accordance with the Foundation's Compensation Principles and Policy. The Committee shall make final decisions on such matters after satisfying itself that the standards set in the Foundation's Compensation Principles and Policy have been met. The Committee may request additional data or information prior to approving matters within its jurisdiction.
- (c) **Final Action.** The Compensation Review Committee shall take final action to approve or disapprove all Foundation and Departmental compensation formulae and policy.

6.3 Changes to the Foundation's Compensation Principles and Policy. In addition to approval by the Board of Directors, changes to the Foundation's Compensation Principles and Policy, attached as Exhibit H to these Bylaws, require:

- (a) input from the Council of Chairs and Council of Faculty;
- (b) approval by the members of the Faculty at a special or annual meeting as provided in § 3.9 (b) of these Bylaws but only with respect to those changes identified in § 14.2 as requiring a Faculty vote; and
- (c) approval of the Chancellor and the Board of Regents as provided in § 25 of the Regents Agreement.

6.4 Finance Committee.

- (a) **Budget.** The Finance Committee shall prepare and recommend to the Board of Directors an annual budget for the Corporation. The budget shall include the amounts to be contributed to the Medical School, capital projects, and staffing. The Committee shall coordinate such planning with the Dean of the UW Medical School, the CEO of University Hospital and other affiliated hospitals.
- (b) **Additional Duties and Responsibilities.** The Finance Committee shall, subject to overall guidance by the Board of Directors, establish the fees for services rendered by the Corporation. The Finance Committee shall, subject to guidance from the Board of Directors, establish a billing and collection policy. Generally, the billing policy shall provide that all patients shall be billed for services rendered by the Foundation's employees, although all patients shall be treated without regard to their ability to pay and the Foundation shall fully participate in Medicare, Medicaid and prepaid medical care programs.
- (c) **Other Recommendations and Reports.** The Committee shall recommend to the Board of Directors guidelines for department operating expenses, direct expenses of departments including Faculty business expenses. The Committee will receive at least annually, in a form satisfactory to the Committee, reports on department operating expenses, direct expenses, and Faculty business expenses. The Board of Directors shall adopt guidelines for operating expenses, direct expenses, and Faculty business expenses as it deems appropriate based on these recommendations.

6.5 Compliance Support Committee. The duties and responsibilities of the Compliance Support Committee shall be to establish, implement, maintain and monitor the Foundation Compliance Program.

6.6 Audit Committee. There shall be an Audit Committee, which shall interview and engage an auditor for the Corporation and supervise the annual audit of its books and records.

(a) **Duties.** The duties of the Audit Committee shall be as described by the Board but the Committee shall address on a continuing basis the Foundation's compliance with rules relating to tax-exempt public foundations.

(b) **Reports to Board.** The Committee will work with the Board on the format of the annual audit, which the Committee shall submit to the Board.

6.7 Executive/Governance Committee.

(a) **Composition.** The Board of Directors shall establish the composition of the Executive/Governance Committee. The initial composition of the Executive/Governance Committee is established in Exhibit F.

(b) **Duties and Responsibilities.** The Executive/Governance Committee shall have and may exercise, when the Board of Directors is not in session, the power of the Board in the management of the affairs of the Foundation except as limited by § 3.18 herein. The Executive/Governance Committee shall determine the agenda for the Board of Directors, oversee and integrate the activities of the Board's Committees, act on behalf of the Board of Directors in emergency situations between Board meetings, and provide a liaison function between the Foundation and the Medical School.

The Executive/Governance Committee shall provide oversight for nominations and appointments to Board Committees as well as elections of Faculty Directors to the Board of Directors in accordance with the principles, below, and as are adopted by the Board of Directors and set forth in Exhibit E.

(c) **Method of Operations.** In advance of any appointment to any Committee, the Executive/Governance Committee shall propose at least one (1) qualified person for each vacant committee position, in the manner described in Exhibit E.

(d) **Broadest Possible Representation.** In making nominations for and appointments to committees, the Executive/Governance

Committee and the Board of Directors shall consider the following factors:

- (i) present departmental representation on the Board of Directors or committees;
- (ii) the length of time since a member of a Department has been on the Board or a committee;
- (iii) geographic distribution to include non-University Hospital-based physicians; and
- (iv) competencies and past service to the organization.

Despite these considerations, the overall criteria of demonstrated interest and ability to contribute shall be important in making nominations.

6.8 UW Health Ambulatory Operations Council. The UW Health Ambulatory Operations Council will set and monitor service and productivity standards for the Foundation. The Council will conduct periodic departmental clinical operations reviews, identify and resolve operational issues, and oversee implementation of medical management standards. In addition, the Council will identify ways to increase clinic efficiencies, and coordinate patient education activities and materials to improve service, delivery efficiency, and promote brand image.

6.9 Retirement Plan Committee.

- (a) **Composition & Reporting.** The Board of Directors shall establish the composition of the Retirement Plan Committee by resolution which shall be added as Exhibit I to these Bylaws. The Retirement Plan Committee shall report directly to the Board of Directors. The Board of Directors, through Exhibit I, shall establish:
 - (i) the composition of the Retirement Plan Committee;
 - (ii) the minimum number of times per year that the Retirement Plan Committee shall meet; and
 - (iii) the delegation of specific authority for the Retirement Plan Committee to act to set policy and participant investment options and guidelines, provided that at least three (3) directors are elected to the Retirement Plan Committee by the Board of Directors.
- (b) **Duties and Responsibilities.** The Retirement Plan Committee shall provide oversight and review of fund performance compared

to appropriate benchmarks, changes in fund management, and important developments within the economy and securities markets, all of which may have a potential impact on investment strategy, asset allocation, and overall portfolio performance. The Retirement Plan Committee, on an ongoing basis, will review the menu of funds offered to the Plan's participants to determine if the risk level returns, investment discipline and style remain appropriate to the policies and guidelines set forth as provided in Exhibit I. The Retirement Plan Committee in conjunction with the Plan's Trustee will also develop, review, and distribute educational materials, including newsletters and quarterly reports to the Plan's participants.

6.10 Funds Flow Oversight Committee.

- (a) **Composition.** The initial composition of the Funds Flow Oversight Committee shall consist of the Dean of the Medical School, the Chair of the Council of Chairs, the Chair of the Council of Faculty, the Chair of the Finance Committee, the Chair of the UW Health Ambulatory Operations Committee, the Foundation CEO, one (1) Public Director, four (4) members of the Council of Chairs as elected by the Council of Chairs, and the Chair of the Compensation Development Committee. Thereafter, the Board may determine the membership of the Funds Flow Oversight Committee through policy as established by the Foundation Board in Exhibit J to these Bylaws.
- (b) **Duties and Responsibilities.** The Funds Flow Oversight Committee provides strategic oversight for the "Strategic Investment Fund," The Funds Flow Oversight Committee is advisory to the Foundation Board in setting the funding needs for and the administration of the Strategic Investment Fund and the current Funds Flow model, in accordance with Exhibit J.

6.11 UW Health Quality Council. The Quality Council is a UW Health Committee dedicated to continuous improvement in quality and safety across the entire enterprise.

- (a) **Composition.** The Council is co-chaired by UWMF and University Hospital CEOs. The Council's initial composition includes physician and administrative leaders from primary and specialty care, nursing, operations and quality member representation from UW Health.
- (b) **Duties and Responsibilities.** The Council is accountable for ensuring continuous improvement of health outcomes and the patient experience across UW Health, and enhancing performance by ensuring rigorous measurements systems, guiding improvement

initiatives, communicating findings, spreading sustainable changes, and promoting knowledge and refinement of improvement tools and techniques.

6.12 Professional Conduct Committee. The Professional Committee is a standing committee established by the UWMF Board of Directors.

(a) **Composition.** The Committee shall be nominated by the Executive/Governance Committee of UWMF, with approval of the UWMF Board of Directors. Initial composition shall include five (5) physician faculty members who are leaders in advancing medical professionalism.

(b) **Duties and Responsibilities.** The Committee ensures advancement of medical professionalism consistent with UW Health Mission, Vision and Values. The Committee serves as an informal review body for potential transgression of the UWMF Professional Conduct Guidelines. Initial phase is identification and remediation with a primary goal of significant improvement or correction of the behavior by the involved physician faculty member following an outlined protocol.

6.13 Interactions with Industry Review Committee. The Interactions with Industry Review Committee ("IIRC") is a standing committee of the UWMF Board established by the UWMF Board. Oversight of all UW/UWMF Providers' activities in the purview of the Policy is under the auspices of the IIRC. The IIRC is charged with reviewing and managing all outside interaction between Industry and UW/UWMF Providers that may affect the clinician-patient interface.

(a) **Composition.** The Committee shall be populated by UWSMPH faculty members and members of the UWMF Board of Directors, as recommended by the UWMF Executive/Governance Committee through consultation with the UWMF Council of Chairs and UWMF Council of Faculty and approved by the Board of Directors.

(b) **Duties and Responsibilities.** The Interactions with Industry Review Committee provides oversight of UWMF health care professional activities in accordance with Policy. The IIRC considers overall context and implications of each activity that may constitute a conflict of interest in its reviews, determinations and actions. Determinations of the IIRC set precedent for consideration of subsequent situations. The IIRC reviews annual survey disclosures by UWMF health professionals and specifies corrective or remedial action on matters subject to Policy.

6.14 Investment Committee. The Investment Committee is a standing committee of the UWMF Board and responsible for the operations and administration of the UWMF investment portfolio.

(a) Composition. The Board shall establish the composition of the Investment Committee.

(b) Duties and Responsibilities. The Investment Committee has responsibility for the operation and administration of the UWMF investment portfolio. The Committee is responsible for monitoring the performance of the investment funds, investment managers in accordance with the UWMF Investment Policy. The Committee shall provide quarterly reports to the Board of Directors.

ARTICLE VII

FOUNDATION DEPARTMENTAL COMMITTEES

7.1 Composition. Physician Faculty members of each clinical department who are also Foundation employees contributing clinical revenues to the Foundation, shall organize themselves into a Foundation Departmental Committee. By agreement of the Dean and the Board of Directors, Faculty health care specialists other than physicians may be eligible to participate in these committees.

7.2 Powers. The Foundation Departmental Committees will make recommendations to the Executive/Governance Committee of the Board of Directors for Standing Committee and other committee positions and elect the members of the Council of Faculty. The Foundation Departmental Committees shall, within the guidelines set by the Board of Directors, decide on direct expense levels for the clinical departments. The expense levels shall include Departmental operating expenses, Faculty business expenses, and the level of research and development funds contributed over the minimum level of two-and-one-half percent (2.5%) of Department revenue (or as otherwise agreed to with the Board of Regents). These decisions may annually be delegated to the Departmental Chairs by majority vote of the eligible Faculty in each Department.

ARTICLE VIII

OFFICERS

8.1 Number. The principal officers of the Corporation shall be a President, one (1) or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. The Board of Directors may designate one (1) of the Vice Presidents as Executive Vice President and may elect such other officers and assistant officers and agents as may be deemed necessary. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary, or President and Vice President.

- 8.2 Election and Term of Office.** The Board of Directors shall elect the officers of the Corporation by the affirmative vote of a majority of directors present at a meeting at which a quorum is present. The Board of Directors will determine the term of office for officers. Each officer will hold office until a qualified successor is elected upon expiration of the term of that officer, or until that officer's death, or until that officer shall resign or shall have been removed in the manner hereinafter provided.
- 8.3 Qualifications of Officers.** Officers need not be residents of the State of Wisconsin. The President shall be a practicing physician member of the Faculty.
- 8.4 Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed or not reappointed by the Board of Directors, whenever, in its judgment, the best interests of the Corporation will be served thereby. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.
- 8.5 Vacancies.** The Board of Directors may fill a vacancy in any office because of death, resignation, removal, disqualification or other reason, for the unexpired portion of the term.
- 8.6 Duties.** Officers and agents elected or appointed by the Board of Directors shall have such powers and perform such duties as may, from time to time, be prescribed by resolution of the Board of Directors. Upon the Board of Directors failure to adopt such a specific resolution, such officers and agents shall have the powers and perform the duties that are normally incident to their respective offices.
- 8.7 President.** The President shall be the Chief Executive Officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. The President shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the Corporation as he or she shall deem necessary, to prescribe their powers, duties and compensation and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. The President shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the Board of Directors; and, except as otherwise provided by law or the Board of Directors. The President may authorize the Executive Vice President, if one is designated, or any Vice President or other officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in his or her place and stead. In general, the President shall perform all duties incident to the office of Chief Executive Officer and such other duties as the Board of Directors may prescribe from time to time.

- 8.8 Executive Vice President.** The Executive Vice President, if one is designated, shall assist the President in the discharge of supervisory, managerial and executive duties and functions. In the absence of the President or in the event of his or her death, inability or refusal to act, the Executive Vice President shall perform the duties of the President and when so acting shall have all the powers and duties of the President. He or she shall perform such other duties as from time to time may be assigned to him or her by the Board of Directors or the President.
- 8.9 Vice Presidents.** In the absence of the President and the Executive Vice President, or in the event of their deaths, inability or refusal to act, or in the event for any reason it shall be impracticable for them to act personally, the Vice President shall perform the duties of the President. In the event that there is more than one Vice President, the Vice President to perform the duties of the President shall be determined in the order designated by the Board of Directors, or in the absence of any designation, then in the order of their election. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to him or her by the President, the Executive Vice President or the Board of Directors. The execution of any instrument of the corporation by any Vice President shall be conclusive evidence, as to third parties, of his or her authority to act in the stead of the President.
- 8.10 Physician-in-Chief.** At the President's discretion, the President may retain the title of Physician-in-Chief. If the President does not elect to retain the title, the Board of Directors may appoint a Physician-in-Chief who may also be appointed one of the Vice Presidents. The Physician-in-Chief shall be responsible for coordinating the effective, efficient and economic delivery of medical services and for such other duties as may, from time to time, be assigned by the President and the Board of Directors.
- 8.11 Secretary.** The Secretary shall:
- (a) keep the minutes of the Board of Directors' or Committees' meetings in one or more books provided for that purpose;
 - (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
 - (c) be custodian of the corporate records; and
 - (d) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

8.12 Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall:

- (a) have charge and custody of and be responsible for all funds and securities of the Corporation;
- (b) receive and give receipts for monies due and payable to the Corporation from any source whatsoever; and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and
- (c) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

8.13 Other Assistants and Acting Officers. The Board of Directors shall have the power to appoint any person to act as assistant to any officer, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally. Such assistant or acting officer appointed by the Board of Directors shall have the power to perform all the duties of the office to which such person is appointed to be assistant or acting officer, except as such power may otherwise be defined or restricted by the Board of Directors.

8.14 Additional Officers. Any additional officer not specified above shall have only such authority, duties and responsibilities as shall be specifically authorized and designated by the Board of Directors.

8.15 Chair of the Board.

- (a) **The Dean of the Medical School as Chair.** The Dean of the Medical School shall be the Chair of the Board.
- (b) **Election and Term of Vice Chair.** The Vice Chair of the Board of Directors shall be the President of the Foundation. The Vice Chair of the Board of Directors shall hold office for so long as he or she remains President. If a vacancy occurs in the position of Vice Chair, the interim successor to the position of President shall fill the position of Vice Chair.
- (c) **Duties/Role.** The duties and role of the Chair of the Foundation Board shall be as established by resolution of the Foundation Board.

ARTICLE IX

INDEMNIFICATION OF OFFICERS, DIRECTORS, AND OTHERS

9.1 Mandatory Indemnification. The Foundation shall to the maximum extent permitted under Chapter 181 of the Wisconsin Statutes, as amended, indemnify and allow reasonable expenses of any person who:

- (a) was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative;
- (b) by reason of the fact that:
 - (i) he or she is or was a director, officer, employee or agent of or volunteered services to the Foundation; or
 - (ii) is or was serving at the request of the Foundation as a director, officer, employee or agent of any committee or of any other Foundation enterprise.

Such right of indemnification shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

9.2 Indemnification Excess. The indemnification provided directors, officers, agents or employees shall be excess (except as may otherwise be provided by law) to any right of indemnification that they may have as agents or employees of the State of Wisconsin while they are acting within the scope of that employment.

9.3 Supplementary Benefits. The Foundation may supplement the right of indemnification under § 9.1 by the purchase of insurance, indemnification agreements, and/or advances for expenses of any person indemnified.

ARTICLE X

FISCAL YEAR

The fiscal year of the Foundation shall be July 1 to June 30, or as otherwise designated by the affirmative vote of a majority of directors present at a meeting at which a quorum is present.

ARTICLE XI

SEAL

There shall be no corporate seal.

ARTICLE XII

CORPORATE ACTS, LOANS, AND DEPOSITS

- 12.1 Corporate Acts.** Unless otherwise directed by resolution of the Board of Directors or by law, all checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money of the Foundation, and all deeds, mortgages, conveyances, and other written contracts, agreements and instruments to which the Foundation shall be a party, and all assignments or endorsements of stock certificates, registered bonds, or other securities owned by the Foundation shall be signed by the President and by any one (1) of the following officers who is a different person: Vice President, Secretary, or Treasurer. The Board of Directors may, however, delegate such authority, or may authorize any one (1) of such officers or one (1) or more other officers or agents to sign any of such instruments for and on behalf of the Foundation without necessity of counter signature.
- 12.2 Loans.** No fund indebtedness shall be contracted on behalf of the Foundation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- 12.3 Deposits.** All funds of the Foundation, not otherwise employed or subject to immediate distribution, shall be deposited from time to time to the credit of the Foundation in such banks, savings and loan associations, trust companies or other depositories as the Board of Directors may select.
- 12.4 Creation of State Assets.** Financial support required by the terms of the Regents Agreement to be made available to or on behalf of the Medical School becomes an asset of the University of Wisconsin System as that support becomes due. The Chancellor and the Foundation will determine the due dates for various contributions annually by written agreement. The Board of Regents has the right to bring an action for specific performance to obtain the agreed financial support if it is not transmitted by the Foundation when due in accord with the referenced Agreement. All funds generated by Foundation activities that are not expressly dedicated in the Agreement to the Medical School constitute assets of the Foundation, consistent with the historic understanding between the Board of Regents and the Clinical Practice Plan regarding Faculty ownership of clinical fees.

ARTICLE XIII

PHYSICIAN APPOINTMENTS

The Foundation shall consult with the Dean and relevant UW Medical School academic departments before hiring or contracting with physicians in a particular specialty who are not appointed as Faculty. The employment or personal services contracts with non-Faculty physicians shall expressly provide that they do not become employees of the UW-Madison as a result of said contract, and that the State of Wisconsin is not responsible for their insurance or liability coverage.

Foundation physicians who care for patients at University Hospital must have UW Medical School Faculty appointments.

ARTICLE XIV ***AMENDMENTS***

- 14.1 By the Board of Directors.** Except as provided in §§ 14.2 through 14.4 below, these Bylaws and the Articles of Incorporation may be altered, amended, or repealed, and new or restated Bylaws or Articles of Incorporation may be adopted by the Board of Directors at any regular or special meeting thereof by the affirmative vote of not less than two-thirds (2/3) of the directors then in office unless a higher number is required by law. All amendments are subject to prior consultation with the Council of Chairs under § 4.6 and the Council of Faculty under § 5.6. All proposed amendments must be submitted to the Chancellor and the Board of Regents at least sixty (60) days prior to the time they become effective.
- 14.2 Amendments Requiring a Faculty Vote.** The following alterations, amendments and changes to the Bylaws and Articles of Incorporation shall be approved by a Faculty Vote in accordance with § 3.9 (b):
- (a) Any change which the Foundation Board, after consultation with the Council of Chairs and the Council of Faculty, has determined is significant enough to require a Faculty vote; and
 - (b) Material changes to the Foundation's Compensation Principles and Policy, attached as Exhibit H.
 - (c) **Exception.** Any alteration, change, or amendment which is required for compliance with state or federal law or regulation is hereby specifically exempted from the requirements of § 3.9 (b) and § 14.2 (a) and (b), and shall not require a Faculty vote.
- 14.3 Approvals.** If approved by the Faculty as provided in § 3.9 (b), amendments to these Bylaws and to the Articles of Incorporation shall take effect immediately. The Agreement with the Board of Regents may provide the Chancellor with a right to disapprove such changes during the term of such Agreement and prior to notice of termination of that Agreement. The Board of Regents shall be given advance notice of any change to the Bylaws.
- 14.4 Board Composition.** Changes to the composition of the Board of Directors will require prior approval of the UW Board of Regents or its designee if so stated in the Agreement with the Board of Regents.

ARTICLE XV
INTERPRETATIONS

- 15.1 Agreement.** These Bylaws are part of an overall arrangement with the Board of Regents of the University of Wisconsin System embodied as the Regents Agreement. These Bylaws and that Agreement shall, during the term of the Regents Agreement, be interpreted together to promote the purposes of each.
- 15.2** The Board of Directors may interpret, define and clarify the Regents Agreement and these Bylaws as required to conform its operations to changing economic conditions, evolving state and national health policy, and the changing needs of medical education. Such interpretation, definition and clarification by the Board of Directors must be consistent with the Board's obligations to the Board of Regents.
- 15.3** The term "Faculty" when used in these Bylaws includes physician Faculty and physician academic staff with tenure, tenure track, CHS or other UW-Madison recognized titles, including paid clinical-track physicians. By agreement of the Medical School and the Foundation, individual psychologists, optometrists and dentists having Medical School appointments may be included as participating Faculty and may be eligible to be elected and/or to vote in elections for Foundation directors.

ARTICLE XVI
INFORMATION

- 16.1 Minutes.** The minutes of the meetings of the Board of Directors and the meetings of its committees shall be open to review by participating Faculty.
- 16.2 Annual Reports and Audit.** The Board of Directors will prepare an annual report on operations and distribute it to the Dean and to participating Faculty. The Board of Directors will submit to the Dean a copy of the Annual Audit of the Corporation.
- 16.3 Reports to Council of Chairs.** The Foundation will prepare at least quarterly financial reports to the Council of Chairs and the Council of Faculty for their review.

ARTICLE XVII
DISSOLUTION

The Foundation shall dissolve within six (6) months of the termination of the Agreement referenced in § 15.1 of these Bylaws (or an amended version thereof). The six (6) month period is to be used for the winding up of the affairs of the Foundation.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
POLICY ON NOMINATION AND ELECTION
OF PUBLIC DIRECTORS
(EXHIBIT A)

(A) **Nomination.** Seated Public Directors shall nominate individuals to serve as Public Directors of the Foundation Board. The seated Public Directors shall determine the number of individuals that are nominated. The Foundation Board of Directors may reject the nominations of the Public Directors, in which case the Public Directors shall submit further nominations to the Foundation Board of Directors.

(B) **Election.** Public Directors will be elected to the Board of Directors by a majority of the votes cast at a meeting of the Board of Directors at which a quorum is present.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.

~~EXHIBIT B~~

DELETED

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
POLICY ON NOMINATION AND ELECTION
OF FACULTY DIRECTORS
(EXHIBIT C)

(A) **Nominations.** The Council of Faculty, with the oversight of the Executive/Governance Committee shall be responsible for sending a written notice to all Faculty requesting self-nominations or faculty nomination for Faculty Directors. A nomination will require a completed application.

(B) **Selection of Candidates.** The Council of Faculty (“**Council**”) will receive all nominations for the two (2) open Faculty Director seats and from those nominations shall choose a slate of up to six (6) candidates based on the Selection Criteria noted in Paragraph C below.

(C) **Selection Criteria.** The Council will choose a slate of candidates following a consideration of the following Selection Criteria in order to ensure diversity among Faculty Directors serving on the Board. The Selection Criteria include:

1. **Departmental Diversity.** The Council will consider whether or not an individual is nominated from a Department which has had little or no historical representation on the Board.

2. **Experience.** The Council will consider a nominee’s experience, including his or her length of service, the academic track chosen by nominee, and the nominee’s academic rank.

3. **Practice Location.** The Council will consider a nominee’s practice location and hospital affiliation.

4. **Academic Interests.** The Council will consider a nominee’s academic interests in practice, whether it is clinical, research, teaching or a blend of all three.

5. **Type of Practice.** The Council will consider the nominee’s type of practice, including whether or not it is primary care, specialty or hospital-based.

6. **Service Record.** The Council will consider a nominee’s record of service to the Foundation through participation on committees to the Board, whether or not he or she is a current Board member, or other through other administrative or community activities that support the Foundations’ corporate purposes.

7. **Demographic Balance.** In choosing a slate of candidates, the Council may consider if the slate supports gender, ethnic, and age diversity and balance among Faculty Directors.

(D) Administration. The Council will direct and the Foundation's Administration shall compile any and all information in the form required by the Council and as necessary for the Council to consider the nominations it has received.

(E) Elections. The Council shall compile a slate of up to six (6) candidates, and direct the Foundation's administration to create ballots and send the ballots to eligible Faculty, directing that each Faculty member shall vote for two (2) of the candidates. The Board of Directors shall afford the Faculty a reasonable period of time to return their ballots. The two (2) candidates who receive the most votes shall be elected to the two (2) open Faculty Director seats. The candidate that receives the highest number of vote(s) cast shall be named the Director from the faculty at large. If there is a tie, the Council of Faculty shall recommend to the UWMF Executive/Governance Committee the final candidate to serve as a Faculty Director member.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
POLICY ON REMOVAL OF DIRECTOR
FROM OFFICE FOR CAUSE
(EXHIBIT D)

The Board of Directors of the Foundation has a responsibility to ensure that the Foundation benefits from the best leadership possible. Such leadership must begin with the Board of Directors. Thus, the Board of Directors must, from time to time, assess the performance, competence, quality, and interests of its individual Directors to assure that the Foundation receives the leadership it needs and deserves.

The Board of Directors may remove a Director that, in the sole discretion and determination of the Board,

- takes action as a Director in a matter in which the Director has a conflict of interest,
- has been convicted of a felony or of a misdemeanor involving moral turpitude,
- focuses on narrow interests of a particular constituency to the detriment of the Foundation as a whole,
- fails to maintain confidentiality of information with which he/she is entrusted, to the detriment of the Foundation,
- fails to attend at least sixty percent (60%) of Board and/or committee meetings scheduled during any six-month (6) period, or
- otherwise conducts him/herself in a manner that harms the interests of the Foundation.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
POLICY ON NOMINATION AND APPOINTMENT OF COMMITTEES
(EXHIBIT E)

Nomination/Appointment of Committee Members. The nomination and appointment process for committee members shall be overseen by, and the responsibility of, the Executive/Governance Committee.

(A) Call for Nominations. The Executive/Governance Committee shall be responsible for sending a written notice to the Chairs of each Clinical Department requesting Foundation Departmental Committee nominations for committee members. Each Chair may nominate up to two (2) faculty members, per eligible Committee, from only their own Department.

(B) Appointment. The Executive/Governance Committee shall compile the nominations received pursuant to the above process, and choose at least one (1), but no more than two (2) candidates for each available committee position. The Executive/Governance Committee shall submit its recommendations to the Foundation Board, and the Foundation Board shall act, as described in § 3.14 of the Foundation Bylaws, to appoint committee members.

(C) Composition. Each committee, other than the Executive/Governance Committee and the Compensation Review Committee, shall include at least three (3) Faculty representatives and one (1) Board Director representative.

(D) Term of Office. Except for the Executive/Governance Committee and the Compensation Review Committee, terms of office for committee members will be three (3) years.

(E) New Committees. Notwithstanding the foregoing paragraph (D), for any new committee, the Initial Term of office for committee members shall be for one, two, or three years. The “Initial Term” shall be the first term of office to which the Board appoints committee members after the adoption of these Amended and Restated Bylaws. After the Board appoints committee members, each committee shall hold a lottery to determine terms of office for the Initial Term of committee members. The committee shall structure the lottery so that approximately one-third (1/3) of the committee members shall have a term of one (1) year, one-third (1/3) of the committee members shall have a term of two (2) years, and one-third (1/3) of the committee members shall have a term of three (3) years.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
POLICY ON COMPOSITION OF EXECUTIVE/GOVERNANCE COMMITTEE
(EXHIBIT F)

The Executive/Governance Committee shall be made up of:

- (A) the Dean, as the Chair of the Foundation Board of Directors,
- (B) the President,
- (C) one (1) Public Director, who shall be selected by the Public Directors,
- (D) two (2) Chair Directors:
 - 1. one of whom shall be selected by the Chair Directors; and
 - 2. the second of whom shall be the Chairperson of the Council of Chairs so long as that Chairperson is also a Chair Director, otherwise the second Chair Director shall be selected by the Chair Directors.
- (E) Beginning January 1, 2004, three (3) Faculty Directors, who shall be selected by the Faculty Directors to serve on the Executive/Governance Committee.
- (F) The selection of Executive/Governance Committee members as made pursuant to paragraphs (C), (D), and (E), above, shall be subject to confirmation by the University of Wisconsin Medical Foundation, Inc. ("UWMF") Board, and each such Executive/Governance Committee term shall not exceed two (2) years.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
DEFINITION OF PROFESSIONAL INCOME
(EXHIBIT G)

The professional income required to be included in Foundation receipts consists of all collected fees derived from the diagnosis and treatment of patients by the Faculty member. Professional income shall also include fees for court appearances, pre-trial legal consultations and all other activities associated with medical-legal services, or other services related to patient care or human health. In addition, professional services include consultation with respect to the operation, supervision and quality control in laboratories.

Professional income does not include honoraria, royalties, lecture fees, military pay, or payment for editing scientific publications. Income received for consultations of a purely scientific or educational nature which do not involve, directly or indirectly, the care of specific patients or consultations involving human health is excluded from professional income; because human health is a broad term, the Foundation Board or a designated subcommittee may grant exceptions as warranted. Work for charitable organizations may also be exempted by agreement of the Foundation and the Dean. All such outside activities must conform to Medical School and UW-Madison rules and regulations governing the conduct of Faculty and academic staff employees.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
COMPENSATION PRINCIPLES & PROCEDURE POLICY
(EXHIBIT H)

I. Introduction

Since its formation, the Foundation has operated under a series of compensation plans based upon the Foundation's Agreement with the Board of Regents of the University of Wisconsin System. The original plan addressed both compensation and funds flow. The original plan was amended in 2001 and replaced with a policy document (Exhibit H) which focused on compensation principles and process.

This 2007 version of Exhibit H ("Policy") amends the 2001 policy and builds upon the concepts of compensation at fair market value, transparency of compensation determination, and independent oversight for the ongoing development, review and approval of each individual Foundation departmental compensation plan. Each departmental compensation plan will prospectively define and establish the formula and method by which faculty physician compensation is determined. This Policy is designed to ensure that the Foundation complies with all Internal Revenue Service, Stark, and Anti Kickback statutes and regulations relative to physician compensation.

II. Definitions

Compensation Development Committee ("CDC") is defined in Section 6.1 of the Foundation's Bylaws.

Compensation Review Committee ("CRC") is defined in Section 6.2 of the Foundation's Bylaws.

A **Compensation Development Report** ("Report") is made by the Compensation Development Committee to the Compensation Review Committee on an annual basis or more often, as necessary, to facilitate CRC oversight responsibilities. The Report is a set of recommendations made by the CDC for approval by the Foundation Board of Directors ("Board") and the CRC. The Report contains information regarding those Compensation Plans reviewed, a synopsis of any documentation used by the CDC to recommend approval of a Plan, and an affirmative finding by the CDC that all Compensation Principles in Section III have been met.

A **Compensation Plan** ("Plan") is the written document which prospectively establishes the method of determining compensation for clinical faculty physicians ("Physician[s]") belonging to a specific Department. The method must be set forth in sufficient detail so that it can be objectively verified, must not take into account the volume or value of referrals generated by a Physician, and must comply with the Compensation Principles outlined in Section III, below.

Compensation Principles ("Principles") means the set of principles outlined in Section III.C.

Department or Departmental refers to a clinical department of the University of Wisconsin ("University") School of Medicine & Public Health ("UWSMPH").

Fair Market Value means the value in an arms-length transaction, consistent with the general market value that would ordinarily be paid for like services by a like enterprise under like circumstances as the result of *bona fide* bargaining between well-informed parties.

Rebuttable Presumption Process (“Process”) means that process, as defined by the Internal Revenue Service, which, if followed with respect to the compensation, results in what is presumed to be reasonable compensation.

III. Compensation Principles

A. Introduction. The UWSMPH appoints a Physician and the Foundation supports the clinical practices of the Physician. A Physician is generally appointed to a position in a Department, or infrequently, in two Departments. A Physician has responsibilities that may include academic, research, clinical and service work. A Physician receives compensation from both the Foundation and the University in exchange for carrying out those responsibilities. Compensation is paid out in accordance with the Physician’s Departmental Compensation Plan. Each Departmental Compensation Plan is developed in accordance with the Principles.

B. Shared Governance & Review. Each Compensation Plan is developed through shared governance processes. The CDC, the Foundation’s Board of Directors (“Board”), the Dean of the UWSMPH (“Dean”) and the CRC all review and approve each Compensation Plan in accordance with this Policy and must approve any modifications to these Plans.

C. Principles.

1. Allocations. A Compensation Plan establishes the appropriate allocation of funds to Physicians in order to constitute total compensation to be received by each Physician.

2. Total Effort. A Compensation Plan is based on the concept of total effort, which is the aggregate of each Physician’s quality and quantity of academic, research and clinical effort for a specific and predetermined period of time.

3. Elements. A Compensation Plan recognizes the patient care, teaching, administrative and research role of each Physician and establishes a connection between each of these elements and the compensation earned by a Physician. A Compensation Plan may also recognize a Physician’s community service and other contributions consistent with the Foundation’s corporate purpose.

4. Quantity and Quality. A Compensation Plan formula allows for compensation to vary in accordance with the amount and quality of a Physician’s academic, research and clinical work.

5. Set In Advance. A Compensation Plan is set in advance and in sufficient detail so that it can be objectively verified, and is constructed in a manner that does not take into account the volume or value of referrals generated by a Physician.

6. Fair Market Value. A Compensation Plan provides for Physician compensation that is reasonable, responsive to market changes, and based on Fair Market Value following a consideration of prevailing compensation levels for comparable types of physicians and for comparable amounts of work as determined by both independently sourced benchmarks as well as by the availability of funds.

7. Legal Compliance. A Compensation Plan ensures that a Physician's compensation complies with all federal, state, and local legal standards current at the time compensation is paid.

D. Compensation Plan Process. Each Compensation Plan shall include specific processes for appeals and amendments.

1. Appeals. A Compensation Plan includes an appeal process for a Physician to question annual compensation determinations.

2. Amendments. A Department may amend its Compensation Plan through an adequately noticed vote of a two-thirds majority of the Physicians (Tenure, CHS, and Clinical track) voting within the Department to approve such amendment. All amendments are subject to governance review and approval as outlined in Section III.B.

E. Compliance Audit. The CDC, the Foundation's Board, the Dean, and/or CRC each has the authority to ensure compliance with the Principles and to audit the administration of any Department's Compensation Plan. The CDC, the Foundation Board, the Dean, and the CRC may request financial data in any format determined necessary for the conduct of any such audit.

IV. Compensation Process

A. Departmental Compensation Committee. Each Departmental Compensation Committee will develop a Department Compensation Plan based on the Principles. The Departmental Committee will submit its plan to the CDC for review and initial recommendation for approval.

B. Compensation Development Committee Review.

1. Review. The CDC is the initial point of review for consideration of a Compensation Plan and other matters relating to Physician compensation. The CDC ensures that each Compensation Plan complies with the Principles and may establish guidelines for its review in order to implement this Policy.

2. Compensation Maxima. The CDC annually reviews available independent compensation data, studies, surveys, and opinions and may make recommendations to the Dean and the Board regarding compensation maxima based upon that information. Exceptions to such maxima are subject to approval by the CRC.

3. Compensation Development Report. The CDC develops the Compensation Development Report. The Report includes the CDC's recommendations for changes to Compensation Plans. The Report attaches all independent information, data, and

surveys as sufficiently necessary to support the CDC's recommendations and to facilitate the CRC's informed oversight obligations. The Report will include the CDC's certification that its recommendations comply with the Principles and with current IRS standards for Physician compensation.

C. Independent Consultant. An independent consultant will be engaged as necessary to provide written advice and opinions regarding compensation matters to ensure compliance with the Principles. The Consultant's written and oral advice will be part of the CDC's Report made to the Board, the Dean, and the CRC.

D. Board of Directors. As part of the shared governance process, the Board receives the CDC's Report, including all supporting documentation, to consider approval of a Compensation Plan or other CDC recommendations as the Board deems appropriate to the Foundation's stated purpose and mission. The Board then submits its recommendations and the CDC Report to the Dean for approval and to the CRC for final action.

E. Compensation Review Committee.

1. Purpose. The CRC is an independent committee whose members are not affected by the compensation matters it considers. The CRC provides oversight for compensation matters, receives all compensation recommendations and Reports from the CDC and all actions taken by the Board recommending approval of changes to Compensation Plans, standards for compensation maxima, and recommendations from Department Chairs for exceptions to the maxima relative to an individual Physician.

2. Review. The CRC makes final decisions on the compensation matters outlined above after receipt of approvals from the Board and from the Dean, and following consideration of the Report and a determination that the CDC has provided certification that the Principles of this Policy have been met. The CRC may request additional data or information prior to acting on any matter within its jurisdiction. The CRC documents its decisions and the basis for those decisions and may choose to use the Report for this purpose. Decisions of the CRC on compensation matters are the final decisions of the Foundation, except that action to approve a payment above a compensation maximum requires approval of the Dean for employees holding UWSMPH appointments.

V. Changes to the Foundation's Compensation Plan

Material changes to the Foundation's Compensation Plan, as noted in § 14.2 of the Foundation Bylaws, require input from the Foundation's Council of Chairs and Council of Faculty, approval by the members of the Faculty at a special or annual meeting as provided in § 3.9 of the Foundation's Bylaws, and approval of the Chancellor and the Board of Regents as provided in § 25 of the Regents Agreement.

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
RETIREMENT PLAN COMMITTEE
(EXHIBIT I)

RESERVED

UNIVERSITY OF WISCONSIN MEDICAL FOUNDATION, INC.
FUNDS FLOW MODEL
(EXHIBIT J)

I. Introduction

The most current UWMF Funds Flow Model 2008 (the “Model”) is described below. The Model describes the methods by which Revenue is allocated through UWMF to reach clinical departments and support UWMF strategic initiatives.

II. Funds Flow Model

A. Overall Considerations. The Model describes how UWMF Revenues move through the organization; how Revenues are expended to cover UWMF expenses; and how Revenue is allocated to each Clinical Department (“Department”). The Model does not stipulate the details of Departmental Compensation Plans, nor does it dictate how Departments expend Revenues for academic purposes. The current version of the Model improves upon the previous model by modifying it to achieve greater simplicity, transparency, consistency, and rationality of funds flow. The significant changes that distinguish the new Model from the old are explained in more detail below.

B. Capitation Allocation.

1. Capitation is an important component of Revenue as approximately thirty two (32%) percent of total UWMF Revenue is received from payers who reimburse UWMF on a per member per month basis.

2. In the Model, capitated revenue is allocated as sub-capitation, meaning that the Capitation payment per Department is pre-determined on an annual basis. Sub-capitation is determined on the basis of 50/50 blend of relative value units and charges for each Department and the Primary Care group. The rationale for implementing this new Model is to encourage management of care for this population, and to eliminate certain allocation inequities that were existent in the previous model.

C. Flow of UWMF Clinics Revenues and Expenses. Under the new Model, revenues and expenses incurred in the UWMF managed clinics flow to the respective Departments. The rationale for this change was to greatly simplify the accounting for Revenue allocation, provide increased incentive for efficient clinic management, gain a more precise understanding of the financial status of each of the UWMF clinics, and eliminate the controversial allocation methodology for the Revenue generated by global fees. The impact of these changes is almost universally positive as the combination of additional Revenues and the elimination of the clinic assessment more than offset the additional burden of clinic expenses. The Model anticipates that the Revenue and expense allocation methodology may result in a negative margin for Primary Care, and it is the purpose of the Model that this excess expense is to be supported by UWMF through the Primary Care portion of the SIF.

D. Strategic Investment Fund

1. Revenue Sharing. In the Model, the Strategic Investment Fund (“SIF”) replaces the Compensation Adjustment Fund. The SIF is intended to be the sole mechanism for inter-departmental revenue sharing within the Model. The purpose of the SIF is to establish a budgeted portion of Revenue to be used to provide support for mission-based clinical work that may not generate adequate Revenue to support: market-appropriate and competitive compensation in the current reimbursement environment, strategic initiatives at both the organizational and departmental level, and other initiatives as deemed appropriate by the Funds Flow Oversight Committee (the “FFOC”). The total SIF is comprised of the Primary Care Strategic Investment Fund and the Specialty Strategic Investment Fund.

2. Budget Process. The FFOC recommends the size of the SIF to the Finance Committee and the UWMF Board of Directors (the “Board”) as part of the annual UWMF budgeting process. Budget recommendations incorporate consideration of several factors, including: productivity and compensation benchmarks based on independent surveys; the strategic goals of UWMF as determined and documented by the Board; current workload expectations; new program development; outreach activity; organizational goals such as access, quality, and patient satisfaction; external sources of funding; the financial consequences of clinic operations; the Departments’ budgeted Revenues; compensation goals; and expense structure. The process is as objective and data based as possible. Each of the foregoing factors is discussed with each Departmental Chair.

3. Access to Funding. Access to SIF funding depends, in part, upon a Department’s ability to manage expenses within a set of current organizational fiscal and operational standards, and to maintain adequate departmental balances as required by the UWMF’s “Policy for Research and Research & Development Funds.”

4. Range. The size of the total SIF, a combination of Primary Care and Specialty Strategic Investment Funds, will range from a low of two-and-one-half (2.5%) percent to a high of six (6%) percent of Revenue as defined, below.

III. Definitions

Revenue as described in the Model includes fees collected for the diagnosis and treatment of patients, as well as ancillary revenue, technical revenue and other allocable revenue.

Primary Care as described in the Model includes the Department of Family Medicine; the section of General Internal Medicine, and the section of Geriatrics within the Department of Medicine; and the section of General Pediatrics within the Department of Pediatrics. Each faculty member who belongs to the Primary Care group will remain in his/her traditional clinical department for all purposes except clinical budgeting, for which Primary Care will be treated as a separate cost center for the purposes of clear accounting and to ensure that Primary Care support comes from the entire organization.

Specialty Care as described in the Model includes all other departments and the departments of Medicine and Pediatrics exclusive of their general sections.

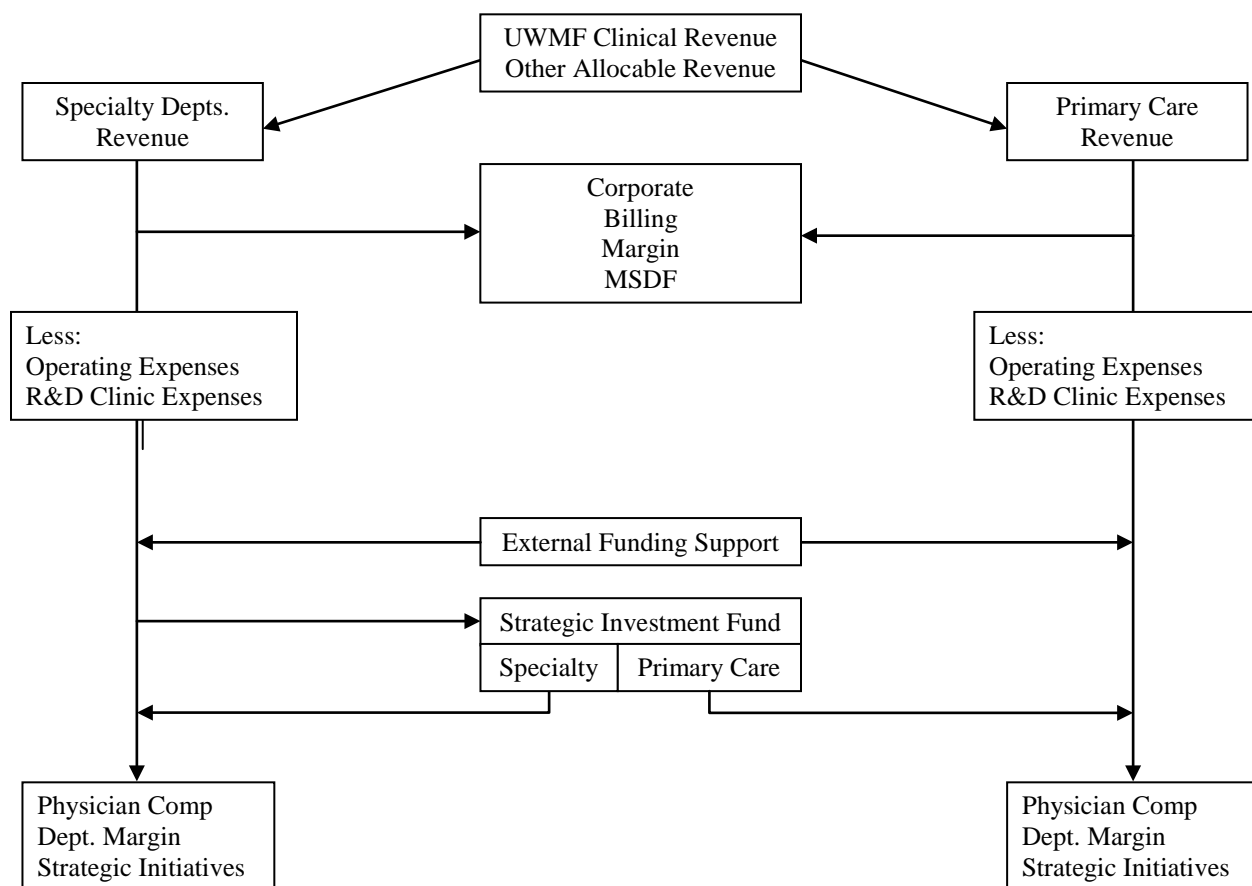
Capitation as used to describe the distribution in the Model, is the contract payment made by certain payers to UWMF on a per member per month basis regardless of the utilization of clinical services of those members.

IV. Historical Note

At the time of its formation, the University of Wisconsin Medical Foundation, Inc. developed a Compensation Plan, which was marked as Exhibit H to the UWMF Bylaws and which included a description of the then current Funds Flow Model and its relation to the Compensation Plan. The original Exhibit H document was amended in 2001 to focus on compensation principles and process, and a separate policy document was created which focused on a new Funds Flow Model. The current Model forms the basis of this document which constitutes Exhibit J of the Bylaws.

[Proceed to Next Page for Diagram of Funds Flow Model]

FUNDS FLOW MODEL



UNIVERSITY OF WISCONSIN SYSTEM BOARD OF REGENTS COMMITTEES

President: Brent Smith
Vice President: Michael Falbo

STANDING COMMITTEES*

Executive Committee

Brent Smith (Chair)
Michael Falbo (Vice Chair)
Jeffrey Bartell
Mark Bradley
Tim Higgins
Regina Millner
Charles Pruitt
José Vásquez
Gerald Whitburn

Research, Economic Development, and Innovation Committee

Mark Bradley (Chair)
Tim Higgins (Vice Chair)
John Drew
Tracy Hribar
Charles Pruitt
Mark Tyler
David Walsh
Gerald Whitburn

Business, Finance, and Audit Committee

Gerald Whitburn (Chair)
John Behling (Vice Chair/Audit Liaison)
Mark Bradley
Tracy Hribar
Katherine Pointer
Charles Pruitt
Gary Roberts
David Walsh

Personnel Matters Review Committee

Edmund Manydeeds (Chair)
John Behling
Mark Bradley
John Drew
Gary Roberts
Gerald Whitburn

Capital Planning and Budget Committee

Jeffrey Bartell (Chair)
Edmund Manydeeds (Vice Chair)
John Behling
Tony Evers
Regina Millner
Katherine Pointer
Gary Roberts
José Vásquez

Committee on Student Discipline and Other Student Appeals

John Behling (Chair)
Jeffrey Bartell
Tony Evers
Tim Higgins
Regina Millner
Katherine Pointer

Education Committee

José Vásquez (Chair)
Regina Millner (Vice Chair)
Jeffrey Bartell
John Drew
Tony Evers
Tim Higgins
Edmund Manydeeds
Mark Tyler

Committee on Faculty and Academic Staff Collective Bargaining

NA

*The Regent President and Vice President serve as ex-officio voting members of all committees.

**OTHER COMMITTEES*
& APPOINTMENTS**

**Academic Staff Excellence Awards
Committee**

Mark Tyler (Chair)
Tim Higgins
Tracy Hribar
Gerald Whitburn

Diversity Awards Committee

John Drew (Chair)
Tracy Hribar
Edmund Manydeeds
José Vásquez

Teaching Excellence Awards Committee

Charles Pruitt (Chair)
Katherine Pointer
Gary Roberts
Mark Tyler

**Higher Educational Aids Board – Regent
Member**

Gary Roberts

**Hospital Authority Board – Regent
Members**

Jeffrey Bartell
Michael Falbo
David Walsh

**Research Park Board – Regent
Member**

David Walsh

**Wisconsin Educational Communications
Board – Regent Member**

Regina Millner

**Wisconsin Technical College System
Board – Regent Member**

José Vásquez

**Special Committee for the UW-Eau Claire
Chancellor Search**

Edmund Manydeeds (Chair)
Jeff Bartell
John Behling
Tracy Hribar
Gary Roberts

**Special Committee for the UW-Madison
Chancellor Search**

Charles Pruitt (Chair)
Regina Millner
Katherine Pointer
Brent Smith
David Walsh

Wisconsin Partnership Program

Tim Higgins

**Liaison to Association of Governing
Boards**

Charles Pruitt

*The Regent President and Vice President serve as ex-officio voting members of all committees.

**UW SYSTEM BOARD OF REGENTS
REGULAR MEETING SCHEDULE – 2012**

February 9-10, 2012 – In Madison

March 8, 2012 – In Madison

April 12-13, 2012 – Hosted by UW-Superior

June 7-8, 2012 – Hosted by UW-Milwaukee

August 23-24, 2012 – In Madison

October 4-5, 2012 – Hosted by UW-Stout

November 8, 2012 – In Madison

December 6-7, 2012 – Hosted by UW-Madison

**UW SYSTEM BOARD OF REGENTS
REGULAR MEETING SCHEDULE – 2013**

February 7-8, 2013 – In Madison

March 7, 2013 – In Madison

April 4-5, 2013 – Hosted by UW-La Crosse

June 6-7, 2013 – Hosted by UW-Milwaukee

July 11-12, 2013 – In Madison

September 5, 2013 – In Madison

October 10-11, 2013 – Hosted by UW-Parkside

December 5-6, 2013 – In Madison

(Tentative: hosted by UW-Madison)